GENERAL PART

Current Version

1.0

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CHAPTER 1 - DESCRIPTION OF THE REGULATORY FRAMEWORK

1.1 Introduction

Legislative Decree no. 231 of 8 June 2001 (hereinafter referred to as the "Legislative Decree no. 231/2001" or the "Decree"), implementing the power conferred on the Government by Article 11 of Law no. 300 of 29 September 2000, lays down rules on the "liability of entities for administrative offences resulting from offences".

In particular, these rules apply to entities with legal personality and to companies and associations, including those without legal personality.

Legislative Decree no. 231/2001 has its primary genesis in a number of international and EU conventions ratified by Italy, which require forms of liability of collective entities for certain types of offences.

According to the rules introduced by the Decree, companies can be held "liable" for certain offences committed or attempted, in the interest or to the advantage of the company itself, by members of the company's senior management (so-called "top management" or simply "top management") and by those who are subject to the latter's direction or supervision (Article 5(1) of Legislative Decree no. 231/2001).

The administrative liability of companies is autonomous with respect to the criminal liability of the natural person who committed the offence, and stands alongside the latter.

This extension of liability is essentially aimed at involving in the punishment of certain offences the assets of companies and, ultimately, the economic interests of shareholders, who, until the entry into force of the decree in question, did not suffer direct consequences from the commission of offences committed, in the interest or to the advantage of their company, by directors and/or employees.

Legislative Decree no. 231/2001 innovates the Italian legal system in that companies are now directly and independently subject to both pecuniary and disqualification sanctions in relation to offences committed by persons functionally linked to the company pursuant to Article 5 of the decree.

The company's administrative liability is, however, excluded if the company has, inter alia, adopted and effectively implemented, before the offences were committed, an Organisation, Management and Control Model pursuant to the Decree (hereinafter "Model 231" or "the Model") suitable for preventing the offences themselves; such models may be adopted on the basis of codes of conduct (guidelines) drawn up by associations representing companies, including Confindustria, and communicated to the Ministry of Justice.

The administrative liability of the company is, in any case, excluded if the senior persons and/or their subordinates have acted exclusively in their own interest or that of third parties.

1.2 Nature of liability

With reference to the nature of administrative liability under Legislative Decree no. 231/2001, the illustrative report on the decree emphasises the "birth of a tertium genus which combines the essential features of the criminal and administrative systems in an attempt to reconcile the reasons of preventive effectiveness with those, even more inescapable, of maximum guarantee".

Legislative Decree no. 231/2001 introduced into our legal system a form of corporate liability of an "administrative" nature - in accordance with Article 27(1) of our Constitution - but with many points of contact with "criminal" liability.

In this respect, see - among the most significant - Articles 2, 8 and 34 of Legislative Decree no. 231/2001, where the first reaffirms the principle of legality typical of criminal law; the second affirms the autonomy of the liability of the company with respect to the liability of the natural person responsible for the criminal conduct; the third provides for the circumstance that such liability, depending on the commission of an offence, is ascertained in criminal proceedings and is, therefore, assisted by the guarantees of criminal proceedings. Moreover, the afflictive nature of the sanctions applicable to the company should be considered.

1.3 Perpetrators of the offence: persons in senior positions and persons subject to the direction of others

As mentioned above, under Legislative Decree no. 231/2001, the company is liable for offences committed in its interest or to its advantage

- by "persons who hold positions of representation, administration or management of the entity or of one of its organisational units with financial and functional autonomy, as well as by persons who exercise, including de facto, the management and control of the entity itself" (the above-mentioned persons "in top positions" or "apical"; Article 5(1)(a) of Legislative Decree no. 231/2001)

- by persons subject to the direction or supervision of one of the apical persons (so-called persons subject to the direction of others; Article 5(1)(b) of Legislative Decree no. 231/2001).

It should also be pointed out that the company is not liable, by express legislative provision (Article 5(2) of Legislative Decree no. 231/2001), if the persons referred to above have acted solely in their own interest or that of third parties.

1.4 Types of offence

Pursuant to Legislative Decree no. 231/2001, the company can only be held liable for the offences expressly referred to in Articles 24 - 25- duodecies of Legislative Decree no. 231/2001, if committed in its interest or to its advantage by persons qualified under Article 5(1) of the Decree or in the case of specific regulatory provisions referring to the Decree, as in the case of Article 10 of Law no. 146/2006.

For the sake of clarity, the cases may be included in the following categories:

- offences against the Public Administration, which is the first group of offences originally identified by Legislative Decree no. 231/2001 (Articles 24 and 25);
- forgery of money, public credit cards, revenue stamps and instruments or signs of recognition, these are the offences against public faith and counterfeiting offences referred to in Article 25-bis of Legislative Decree no. 231/2001, inserted by Law Decree no. 350 of 25/09/2001 Article 6 and converted, with amendments, by Law no. 99 of 23/07/2009 Article 15;
- corporate offences. Legislative Decree No. 61 of 11 April 2002, as part of the reform of corporate law, provided for the extension of the administrative liability regime of entities also to certain corporate offences (such as false corporate communications, unlawful influence on the shareholders' meeting, referred to in Article 25-ter of Legislative Decree No. 231/2001) subsequently amended by Law No. 69 of 27 May 2015 and by Legislative Decree 38/2017;

- offences relating to terrorism and subversion of the democratic order (referred to in Article 25-quater of Legislative Decree no. 231/2001, introduced by Article 3 of Law no. 7 of 14 January 2003). These are "offences having the purpose of terrorism or subversion of the democratic order, provided for by the Criminal Code and by special laws", as well as offences, other than those mentioned above, "which have in any case been committed in breach of the provisions of Article 2 of the International Convention for the Suppression of the Financing of Terrorism, done at New York on 9 December 1999");
- market abuse, referred to in Article 25-sexies of the Decree, as introduced by Article 9 of Law no. 62 of 18 April 2005 ("2004 Community Law");
- offences against the individual, covered by Article 25-quinquies, introduced into the Decree by Article 5 of Law No. 228 of 11 August 2003, such as child prostitution, child pornography, trafficking in persons and reduction and maintenance in slavery, illegal brokering and exploitation of labour;
- transnational offences Article 10 of Law no. 146 of 16 March 2006 provides for the administrative liability of the company also with reference to the offences specified by the same law which have the characteristic of transnationality;
- offences against life and limb, Article 25-quater.1 of the Decree provides that one of the offences for which the company has administrative liability is the practice of mutilation of female genital organs;
- health and safety offences, Article 25-septies provides for the administrative liability of the company in relation to the offences referred to in Articles 589 and 590, third paragraph, of the Criminal Code (Manslaughter and grievous or very grievous bodily harm), committed in breach of the rules on accident prevention and on the protection of hygiene and health at work;
- offences of receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin as well as selflaundering, Article 25-octies of the Decree establishes the extension of the liability of the entity also with reference to the offences provided for in Articles 648, 648-bis, 648-ter and 648-ter 1 of the Criminal Code;
- computer crimes and unlawful data processing. Art. 24-bis of the Decree provides for the company's administrative liability in relation to the offences referred to in Articles 491-bis, 615-ter, 615-quater, 615-quinquies, 617-quater, 617-quinquies, 635-bis, 635-ter, 635-quater, 635-quinquies, 640-quinquies of the Criminal Code, Art.1 c.11 Legislative Decree 105/2019, etc.; and
- organised crime offences. Article 24-ter of the Decree establishes the extension of the entity's liability also with reference to the offences provided for in Articles 416, sixth paragraph, 416-bis, 416-ter and 630 of the Criminal Code and the offences provided for in Article 74 of the Consolidated Act referred to in Presidential Decree no. 309 of 9 October 1990. Reference is also made to Articles 600, 601, 601-bis, 602, 407 of the Criminal Code, Article 2 of Law No 110 of 18 April 1975 and Article 73 of Presidential Decree 309/1990;
- offences against industry and trade. Article 25-bis of the Decree provides for the administrative liability of the company in relation to the offences referred to in Articles 513, 513-bis, 514, 515, 516, 517, 517-ter and 517-quater of the Criminal Code;
- offences relating to violation of copyright. Article 25-nonies of the Decree provides for the administrative liability of the company in relation to the offences referred to in Articles 171, first paragraph, letter a-bis), and third paragraph, 171-bis, 171-ter and 171-septies, 171-octies of Law no. 633 of 22 April 1941;
- inducement not to make statements or to make false statements to the Judicial Authorities (Article 377-bis of the Criminal Code), referred to in Article 25-novies of the Decree;
- environmental offences. Article 25-undecies of the undecies of the Decree provides for the administrative liability of the company in relation to the offences referred to in Articles 727-bis and 733-bis of the Criminal Code, some articles of Legislative Decree no. 152/2006 (Consolidated Law on the Environment), some articles of Law no. 150/1992 on the protection of animal species, and some

articles of Law no. 675/1992 on the protection of the environment. 150/1992 on the protection of animal and plant species in danger of extinction and of dangerous animals, Article 3(6) of Law no. 549/1993 on the protection of stratospheric ozone and the environment and some articles of Legislative Decree no. 202/2007 on ship-source pollution;

- offences relating to the employment of third-country nationals whose stay is irregular. Article 25-duodecies of the Decree provides for the administrative liability of the company in relation to the offences of Article 2, c. 1 of Legislative Decree no. 109 of 16 July 2012 in the event of the use of foreign workers who do not have a residence permit or whose permit has expired.
- Racism and xenophobia offences. Article 25-tredicies of the Decree provides for the administrative liability of the company in relation to the offences referred to in Article 3(3-bis) of Law No. 654 of 13 October 1975.
- fraud in sporting competitions, abusive exercise of gambling or betting and games of chance exercised by means of prohibited devices, referred to by Article 25-quaterdecies of the Decree, introduced by Law No. 30/2019;
- tax offences, referred to in Article 25-quinquiesdecies of the Decree, introduced by Law 157/2019.

The categories listed above are destined to increase further in the near future, also due to the legislative tendency to extend the scope of the Decree, also in compliance with international and EU obligations.

1.5 Sanctions

Articles 9-23 of Legislative Decree no. 231/2001 provide for the following sanctions to be imposed on the company, as a result of the commission or attempted commission of the above-mentioned offences

- monetary sanctions (and precautionary seizure)
- prohibitory sanctions (also applicable as a precautionary measure) of a duration of no less than three months and no more than two years (with the clarification that, pursuant to Article 14(1) of Legislative Decree no. 231/2001, "The prohibitory sanctions are aimed at the specific activity to which the offence refers") which, in turn, may consist of
- disqualification from carrying out the activity
- suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- prohibition to contract with the public administration, except in order to obtain the performance of a public service;
- exclusion from facilitations, financing, contributions or subsidies and possible revocation of those granted;
- prohibition on advertising goods or services;
- confiscation (and preventive seizure as a precautionary measure);
- publication of the judgment (in case of application of a disqualification sanction).

The pecuniary sanction is determined by the criminal court through a system based on "quotas" of no less than one hundred and no more than one thousand and varying in amount from a minimum of Euro 258.22 to a maximum of Euro 1,549.37. In the commensuration of the pecuniary sanction the judge shall determine

- the number of quotas, taking into account the seriousness of the fact, the degree of responsibility of the company as well as the activity carried out to eliminate or mitigate the consequences of the fact and to prevent the commission of further offences
- the amount of the individual share, on the basis of the company's economic and financial conditions.

Disqualification penalties are applied only in relation to offences for which they are expressly provided for (i.e. offences against the public administration, certain offences against public faith - such as counterfeiting money - offences relating to terrorism and subversion of the democratic order, offences against the individual, female genital mutilation practices, transnational offences, health and safety offences and handling stolen goods, money laundering and use of money, goods or benefits of unlawful origin as well as selflaundering, computer crimes and unlawful data processing, organised crime offences, offences against industry and trade, offences relating to violation of copyright, certain environmental offences, offences of undue induction to give or promise benefits, tax offences) and provided that at least one of the following conditions is met

- that the company has derived a significant profit from the commission of the offence and the offence was committed by persons in a senior position or by persons subject to the direction of others when, in the latter case, the commission of the offence was determined or facilitated by serious organisational deficiencies
- there is a repetition of the offence.

The judge determines the type and duration of the disqualification sanctions, taking into account the suitability of the individual sanctions to prevent offences of the type committed and, if necessary, may apply them jointly (Article 14(1) and (3) of Legislative Decree no. 231/2001).

The sanctions of disqualification from exercising the activity, prohibition from contracting with the public administration and prohibition from advertising goods or services may be applied - in the most serious cases - on a definitive basis. It should also be noted that the company's activity may be continued (instead of the sanction being imposed) by a commissioner appointed by the judge pursuant to and under the conditions set out in Article 15 of Legislative Decree no. 231/2001.

1.6 Attempt

In cases of attempted commission of the offences sanctioned on the basis of Legislative Decree no. 231/2001, the financial penalties (in terms of amount) and prohibitory penalties (in terms of duration) are reduced by between a third and a half.

The imposition of sanctions is excluded in cases where the body voluntarily prevents the action from being carried out or the event from taking place (Article 26 of Legislative Decree no. 231/2001).

1.7 Modifying events affecting the company

Legislative Decree no. 231/2001 governs the system of liability of the company also in relation to events modifying it, such as the transformation, merger, demerger and sale of the company.

According to Article 27(1) of Legislative Decree no. 231/2001, the body is liable for the payment of the pecuniary penalty with its assets or with the common fund, where the notion of assets must be referred to companies and bodies with legal personality, while the notion of "common fund" concerns unrecognised associations.

Articles 28 to 33 of Legislative Decree no. 231/2001 regulate the impact on the liability of the body of the modifying events connected with the transformation, merger, demerger and sale of a company. The legislator has taken into account two opposing requirements:

- on the one hand, to prevent such operations from constituting a means of easily evading the administrative liability of the body
- on the other hand, not to penalise reorganisation operations with no evasive intent.

The illustrative report of Legislative Decree no. 231/2001 states: "The general criterion followed in this respect was to regulate the fate of the pecuniary sanctions in accordance with the principles laid down by the Civil Code with regard to the generality of the other debts of the original entity, while maintaining, conversely, the connection of the disqualification sanctions with the branch of activity in the context of which the offence was committed".

In the event of a transformation, Article 28 of Legislative Decree no. 231/2001 provides (in line with the nature of this institution, which implies a mere change in the type of company, without causing the extinction of the original legal entity) that the liability of the entity for offences committed prior to the date on which the transformation took effect remains unaffected.

In the event of a merger, the entity resulting from the merger (including by incorporation) is liable for the offences for which the entities participating in the merger were liable (Article 29 of Legislative Decree No. 231/2001).

Article 30 of Legislative Decree no. 231/2001 provides that, in the case of a partial demerger, the demerged company remains liable for offences committed prior to the date on which the demerger took effect.

The companies benefiting from the demerger (whether total or partial) are jointly and severally liable to pay the financial penalties owed by the demerged company for offences committed prior to the date on which the demerger took effect, up to the actual value of the net assets transferred to the individual company.

This limit does not apply to beneficiary companies, to which the branch of activity in the context of which the offence was committed is transferred, even only in part.

Disqualification penalties relating to offences committed before the date on which the demerger took effect apply to the entities to which the branch of activity within which the offence was committed remained or was transferred, even in part.

Article 31 of the Decree lays down provisions common to mergers and demergers, concerning the determination of sanctions in the event that such extraordinary operations have taken place before the conclusion of the trial. In particular, it clarifies the principle whereby the judge must commensurate the pecuniary sanction, in accordance with the criteria laid down in Article 11(2) of the Decree, referring in any event to the economic and financial conditions of the entity originally liable, and not to those of the entity to which the sanction should be attributed following the merger or demerger.

In the event of a disqualification sanction, the entity which will be held liable following the merger or demerger may ask the judge to convert the disqualification sanction into a pecuniary sanction, provided that: (i) the organisational fault which made it possible for the offence to be committed has been eliminated, and (ii) the body has compensated the damage and made available (for confiscation) any profit it may have made. Article 32 of Legislative Decree no. 231/2001 allows the judge to take into account convictions already handed down against the merging or demerged entities in order to establish recurrence, pursuant to Article 20 of Legislative Decree no. 231/2001, in relation to the offences committed by the merged or demerged entity in relation to offences subsequently committed. A single set of rules is laid down for the cases of sale and transfer of a business (Article 33 of Legislative Decree no. 231/2001); the transferee, in the event of the

transfer of the business in whose activity the offence was committed, is jointly and severally liable to pay the financial penalty imposed on the transferor, with the following limitations:

(i) the benefit of prior enforcement of the transferor is not affected;
(ii) the transferee's liability is limited to the value of the transferred business and to the pecuniary sanctions resulting from the compulsory books of account or due for administrative offences of which it was in any case aware.

Conversely, disqualification sanctions imposed on the transferor do not extend to the transferee.

1.8 Offences committed abroad

According to Article 4 of Legislative Decree no. 231/2001, the company may be held liable in Italy for offences - covered by the same Legislative Decree no. 231/2001 - committed abroad. The illustrative report on Legislative Decree no. 231/2001 emphasises the need not to leave a frequently occurring criminal situation without a sanction, also in order to avoid easy circumvention of the entire regulatory framework in question.

The prerequisites on which the liability of the entity for offences committed abroad is based are:

(i) the offence must be committed by a person who is functionally linked to the entity, pursuant to Article 5(1) of Legislative Decree no. 231/2001
(ii) the body must have its head office in the territory of the Italian State;
(iii) the company can only be held liable in the cases and under the conditions set out in Articles 7, 8, 9 and 10 of the Criminal Code (in cases where the law provides that the guilty party - a natural person - is punished at the request of the Minister of Justice, proceedings are brought against the company only if the request is also made against the company) and, also in accordance with the principle of legality set out in Article 2 of Legislative Decree no. 231/2001, only in respect of offences for which its liability is provided for by an ad hoc legislative provision;
(iv) where the cases and conditions set out in the aforementioned articles of the Criminal Code exist, the State of the place where the offence was committed shall not prosecute the entity.

1.9 Procedure for establishing the offence

Liability for administrative offences arising from a criminal offence is established in the context of criminal proceedings. In this regard, Article 36 of Legislative Decree no. 231/2001 provides that "The criminal court having jurisdiction over the administrative offences committed by the entity shall have jurisdiction over the offences on which they depend. The provisions on the composition of the court and the related procedural provisions relating to the offences on which the administrative offence depends shall be observed in the proceedings for ascertaining the administrative offence committed by the entity'.

Another rule, inspired by reasons of effectiveness, homogeneity and procedural economy, is that of the mandatory joinder of proceedings: the proceedings against the body shall remain joined, as far as possible, to the criminal proceedings brought against the natural person who committed the offence for which the body is liable (Article 38 of Legislative Decree no. 231/2001). This rule is reconciled with the provisions of Article 38(2), which governs the cases in which the administrative offence is prosecuted separately.

The entity takes part in the criminal proceedings with its own legal representative, unless the latter is charged with the offence on which the administrative offence depends; when the legal representative does not appear, the incorporated entity is represented by its lawyer (Article 39(1) and (4) of Legislative Decree No. 231/2001).

1.10 Exempting value of organisation, management and control models

A fundamental aspect of Legislative Decree no. 231/2001 is the attribution of an exempting value to the company's organisation, management and control models.

Where the offence has been committed by a person in a senior position, the company is not liable if it proves that (Article 6(1) of Legislative Decree no. 231/2001)

a) the management body has adopted and effectively implemented, before the offence was committed, organisational and management models capable of preventing offences of the kind committed
b) the task of supervising the operation of and compliance with the models and ensuring that they are kept up to date has been entrusted to a body of the company endowed with autonomous powers of initiative and control
c) the persons committed the offence by fraudulently evading the organisation and management models
d) there was no omitted or insufficient supervision by the supervisory body.

In the case of an offence committed by senior persons, there is therefore a presumption of liability on the part of the company due to the fact that such persons express and represent the policy and, therefore, the will of the organisation itself. This presumption, however, can be overcome if the company succeeds in demonstrating that it has no connection with the facts alleged against the senior person by proving the existence of the above-mentioned competing requirements and, consequently, the circumstance that the commission of the offence does not derive from its own "organisational fault".

In the case, on the other hand, of an offence committed by persons subject to the direction or supervision of others, the company is liable if the commission of the offence was made possible by the breach of the management or supervision obligations with which the company is required to comply.

In any case, the violation of management or supervisory obligations is excluded if the company, before the offence was committed, adopted and effectively implemented an organisation, management and control model capable of preventing offences of the kind committed.

In the case of an offence committed by a person subject to the direction or supervision of a senior person, the burden of proof is reversed. In the hypothesis provided for in Article 7, the prosecution will have to prove the failure to adopt and effectively implement an organisation, management and control model capable of preventing offences of the kind committed.

Legislative Decree no. 231/2001 outlines the content of the organisation and management models, stipulating that they must, in relation to the extent of the powers delegated and the risk of offences being committed, as specified in Article 6(2), must

- identify the activities within the scope of which offences may be committed
- provide for specific protocols aimed at planning the formation and implementation of the company's decisions in relation to the offences to be prevented; and
- identify methods of managing financial resources suitable to prevent the commission of offences;
- provide for information obligations vis-à-vis the body appointed to supervise the functioning of and compliance with the models
- introduce a disciplinary system capable of sanctioning failure to comply with the measures indicated in the model.

Article 7(4) of Legislative Decree no. 231/2001 also defines the requirements for the effective implementation of organisational models:

- periodic verification and possible amendment of the model when significant breaches of the requirements are discovered or when changes occur in the organisation and activity;
- a disciplinary system capable of sanctioning failure to comply with the measures indicated in the model.

1.11 Codes of conduct (Guidelines)

Article 6(3) of Legislative Decree no. 231/2001 provides that "Organisational and management models may be adopted, guaranteeing the requirements set out in paragraph 2, on the basis of codes of conduct drawn up by the associations representing the entities, notified to the Ministry of Justice which, in agreement with the competent Ministries, may, within thirty days, formulate observations on the suitability of the models to prevent offences".

Confindustria, in implementation of the provisions of the above-mentioned article, has defined the Guidelines for the construction of organisation, management and control models (hereinafter, "Confindustria Guidelines") providing, inter alia, methodological indications for the identification of risk areas (sector/activity within which offences may be committed), the design of a control system (the so-called protocols for planning the formation and implementation of the entity's decisions) and the contents of the organisation, management and control model.

In particular, the Confindustria Guidelines suggest that member companies use the risk assessment and risk management processes and provide for the following stages in defining the model

- identification of risks and protocols
- adoption of some general tools, the main ones being a code of ethics with reference to offences under Legislative Decree 231/2001 and a disciplinary system;
- identification of the criteria for selecting the Supervisory Board, indication of its requirements, tasks and powers and the obligations to provide information.

The Confindustria Guidelines were transmitted, before their dissemination, to the Ministry of Justice, pursuant to Article 6, paragraph 3, of Legislative Decree 231/2001, so that the latter could express its observations within thirty days, as provided for by Article 6, paragraph 3, of Legislative Decree 231/2001, referred to above.

The latest version, updated in March 2014, was approved by the Ministry of Justice on 21 July 2014.

Imprima Spa has adopted its own organisation, management and control model on the basis of the Guidelines drawn up by the main trade associations and, in particular, the Confindustria Guidelines.

1.12 Review of suitability

The assessment of the company's liability, which is entrusted to the criminal court, is made through

- verifying the existence of the offence giving rise to the company's liability;
- reviewing the suitability of the organisational models adopted.

The judge's review of the abstract suitability of the organisational model to prevent the offences referred to in Legislative Decree no. 231/2001 is conducted according to the criterion of the so-called "posthumous prognosis".

The judgement of suitability must be formulated according to a criterion that is essentially ex ante, whereby the judge places himself, ideally, in the company's situation at the time when the offence occurred in order to test the congruence of the model adopted. In other words, the organisational model which, prior to the commission of the offence, could and should be considered "suitable to prevent offences" should be judged to be capable of eliminating or, at least, minimising, with reasonable certainty, the risk of the offence subsequently being committed.

CHAPTER 2 - DESCRIPTION OF THE COMPANY - ELEMENTS OF THE GOVERNANCE MODEL AND GENERAL ORGANISATIONAL STRUCTURE OF THE COMPANY

2.1 Imprima S.p.A.

Imprima S.p.A. is a company of the Imprima Group, a multinational group dedicated to development and innovation in the textile printing and finishing sector, dealing with ecological digital printing on textiles.

The Company's registered office is located in Milano (MI), where the production plant is also located.

2.2 Governance model of Imprima S.p.A.

The Company is managed by one or more directors, up to a maximum of 5, appointed by the shareholders. .

The sole director or directors have the general representation of the Company .

When the Directors constitute the Board of Directors, the general representation shall be vested in the Chairman and the Managing Directors, if appointed.

The Directors may appoint nominees or attorneys for individual, specific acts or categories of acts. The Board of Directors is vested with all powers for the ordinary and extraordinary management of the Company. The Board of Directors, within the limits set forth in Article 2381 of the Italian Civil Code, may delegate its powers in management matters in whole or in part to one or more individual directors, possibly giving them the title of "Managing Director" for the purposes of general representation of the Company.

In the cases provided for by the Law or when the shareholders deem it appropriate, an auditor who is a registered auditor is appointed. In the cases provided for by the Law, or if the shareholders deem it advisable, the control body must be composed of three regular members and two alternates, who constitute the Board of Auditors. The Statutory Auditors remain in office for three financial years and may be re-elected.

The legal auditing of accounts is carried out by the Statutory Auditor or the Board of Statutory Auditors if appointed. When required by law or decided by the shareholders, the statutory auditing of accounts is carried out by an auditor or auditing company entered in the appropriate register.

2.3 Organisation Model of Imprima S.p.A.

The current organization chart of the company is composed as per the scheme kept at the HR department.

CHAPTER 3 - ORGANISATION, MANAGEMENT AND CONTROL MODEL AND METHODOLOGY FOLLOWED FOR ITS PREPARATION

3.1 Preamble

The adoption of an organisation, management and control model pursuant to Legislative Decree no. 231/2001, in addition to representing a reason for exempting the Company from liability with regard to the commission of the types of offences included in the Decree, is an act of social responsibility on the part of the Company from which benefits arise for all stakeholders: managers, employees, creditors and all other persons whose interests are linked to the fate of the company.

The introduction of a control system for entrepreneurial action, together with the establishment and dissemination of ethical principles, improving the already high standards of behaviour adopted by the Company, performs a regulatory function in that it regulates the behaviour and decisions of those who are called upon to operate on a daily basis in favour of the Company in accordance with the aforementioned ethical principles and standards of behaviour.

The Company has, therefore, intended to launch a series of activities (hereinafter, the "Project") aimed at making its organisational model compliant with the requirements of Legislative Decree no. 231/2001 and consistent with both the principles already rooted in its governance culture and the indications contained in the Confindustria Guidelines.

3.2 Imprima S.p.A 's Project for the definition of its Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001

The method chosen to carry out the Project, in terms of organisation, definition of operating procedures, structuring into phases, and assig ning responsibilities among the various company functions, was developed to guarantee the quality and authority of the results.

The Project is divided into five phases summarised in the table below.

Phases	***Activities***
Phase1	***Launch of the Project and identification of the processes and activities within which the offences referred to in Legislative Decree no. 231/2001 may be committed.*** ***Presentation of the Project in its complexity, collection and analysis of the documentation, and preliminary identification of the processes/activities within which the offences referred to in Legislative Decree no. 231/2001 may in abstract terms be committed (so-called "sensitive" processes/activities).***
Phase 2	***Identification of key officers.*** ***Identification of key officers, i.e. persons who, on the basis of their functions and responsibilities, have in-depth knowledge of the sensitive areas/activities, as well as of the control mechanisms currently in place, in order to determine the areas of intervention and a detailed interview plan.***
Phase 3	***Analysis of sensitive processes and activities.*** ***Identification and analysis of sensitive processes and activities and the control mechanisms in place, with particular attention to preventive controls and other compliance elements/activities.***

Phases	*Activities*
Phase 4	***Gap analysis and Action Plan.*** ***Identification of the organisational requirements characterising a suitable organisation, management and control model pursuant to Legislative Decree no. 231/2001 and of the actions to "strengthen" the current control system (processes and procedures).***
Phase 5	***Definition of the organisation, management and control model.*** ***Definition of the organisation, management and control model pursuant to Legislative Decree no. 231/2001, articulated in all its components and operating rules and consistent with the Confindustria Guidelines.***

The methodologies followed and the criteria adopted in the various phases of the Project are set out below.

3.2.1 Initiation of the Project and identification of the processes and activities in which the offences referred to in Legislative Decree no. 231/2001 may be committed

Art. 6, paragraph 2, letter a) of Legislative Decree no. 231/2001 indicates, among the requirements of the model, the identification of processes and activities in which the offences expressly referred to in the decree may be committed. In other words, these are those company activities and processes that are commonly defined as 'sensitive' (hereinafter, 'sensitive processes' and 'sensitive activities').

The purpose of Phase 1 was precisely the identification of the company areas concerned and the preliminary identification of sensitive processes and activities.

In particular, following the presentation of the Project, a work team was set up consisting of external professionals and internal resources of the Company with the assignment of their respective tasks and operational roles;

The identification of sensitive activities was preceded by an analysis, mainly documentary, of the Company's corporate and organisational structure, carried out in order to better understand the Company's activities and to identify the corporate areas subject to intervention.

The collection of the relevant documentation and its analysis from both a technical-organisational and a legal point of view allowed an initial identification of the sensitive processes/activities and a preliminary identification of the functions responsible for such processes/activities.

At the end of Phase 1, a detailed work plan was drawn up for the subsequent phases, which may be revised according to the results achieved and the considerations that emerged during the Project.

Below is a list of the activities carried out in Phase 1, concluded with the sharing of the sensitive processes/activities identified with the Work Team:

- collection of documentation relating to the corporate and organisational structure (e.g.: organisation charts, main organisational procedures, job description, powers of attorney, etc.);
- analysis of the documentation collected to understand the Company's business model;
- identification of the company areas of activity and related functional responsibilities;
- preliminary identification of sensitive processes/activities pursuant to Legislative Decree no. 231/2001;

- preliminary identification of the departments/functions responsible for the sensitive processes identified.

3.2.2 Identification of key officers

The purpose of Phase 2 was to identify the persons in charge of sensitive processes/activities, i.e. the resources with in-depth knowledge of the sensitive processes/activities and of the control mechanisms currently in place (hereinafter, "key officers"), by completing and deepening the preliminary inventory of sensitive processes/activities and of the functions and persons involved.

In particular, the key officers were identified as the persons at the highest organisational level capable of providing detailed information on individual corporate processes and on the activities of individual functions. Therefore, in addition to the Managing Director, the first line managers of the functions involved in the performance of sensitive processes were considered key officers.

Below is a list of the activities carried out during Phase 2, at the end of which a preliminary "map of sensitive processes/activities" was defined, towards which to direct the analysis activities, through interviews and in-depth analyses, of the subsequent Phase 3:

- collection of further information through in-depth document analysis and meetings with the internal contacts of the Project as well as with the Work Team;
- identification of further subjects capable of making a significant contribution to the understanding/analysis of the sensitive activities and the related control mechanisms;
- preparation of the map "cross-referencing" the sensitive processes/activities with the relevant key officers;
- preparation of a detailed plan of interviews to be carried out in the subsequent Stage 3.

3.2.3 Analysis of processes and sensitive activities

The objective of Stage 3 was to analyse and formalise for each sensitive process/activity identified in Stages 1 and 2: i) its main phases, ii) the functions and roles/responsibilities of the internal and external parties involved, iii) the existing control elements, in order to verify in which areas/sectors of activity the offences referred to in Legislative Decree no. 231/2001 could theoretically be committed.

In this phase, a map was created of the activities which, in view of their specific contents, could be exposed to the potential commission of the offences referred to in Legislative Decree no. 231/2001.

The analysis was carried out by means of personal interviews with the key officers, which also had the purpose of establishing for each sensitive activity the management processes and control tools, with particular attention to the elements of compliance and preventive controls existing to protect them.

In surveying the existing control system, reference was made, inter alia, to the following control principles

- existence of formalised procedures
- ex-post traceability and verifiability of activities and decisions by means of adequate documentary and information support;
- segregation of duties;

- existence of formalised delegations/proxies consistent with the organisational responsibilities assigned;

The interviews were carried out by professionals experienced in risk management and process analysis.

The results of the interviews, conducted in the manner described above, were shared with the Work Team.

Below is a list of the various activities that characterised Phase 3, at the end of which the "map of sensitive processes/activities" document was drawn up, the key contents of which are as follows

- execution of structured interviews with the key officers, as well as with the personnel indicated by them, in order to collect, for the sensitive processes/activities identified in the previous phases, the information necessary to understand
    - the elementary processes/activities carried out
    - the internal/external functions/subjects involved;
    - the relative roles/responsibilities;
    - the system of existing controls;
- sharing with key officers what emerged during the interviews;
- formalisation of the map of sensitive processes/activities in a special form which collects the information obtained and any criticalities identified in the controls of the sensitive process analysed.

3.2.4 Gap Analysis and Action Plan

The purpose of Stage 4 consisted in identifying i) the organisational requirements characterising an organisational model capable of preventing the offences referred to in Legislative Decree no. 231/2001 and ii) actions to improve the existing organisational model.

In order to identify and analyse in detail the existing control model to protect against the risks identified and highlighted in the risk assessment activity described above and to assess the compliance of the model with the provisions of Legislative Decree no. 231/2001, a comparative analysis (the so-called "gap analysis") was carried out between the existing organisational and control model ("as is") and an abstract reference model assessed on the basis of the content of the provisions of Legislative Decree no. 231/2001 ("to be").

Through the comparison made with the gap analysis, it was possible to deduce areas for improvement of the existing internal control system and, on the basis of the findings, an implementation plan was prepared to identify the organisational requirements that characterise an organisational, management and control model in accordance with the provisions of Legislative Decree no. 231/2001 and the actions to improve the internal control system.

Below is a list of the activities carried out in this phase 4, which ended after the gap analysis document and the implementation plan (the so-called Action Plan) were shared with the Work Team and the Company Management:

- gap analysis: comparative analysis between the existing organisational model ("as is") and an organisational, management and control model "to be" compliant with the provisions of Legislative Decree no. 231/2001 ("to be") with particular reference, in terms of compatibility, to the system of delegations and powers, the Code of Ethics, the system of company procedures, the characteristics of the body entrusted with the task of supervising the operation of and compliance with the model;
- preparation of an implementation plan for identifying the organisational requirements characterising an organisational, management and control model pursuant to Legislative Decree no. 231/2001 and the actions to improve the current control system (processes and procedures).

3.2.5 Definition of the organisation, management and control model

The purpose of Phase 5 was to prepare the Company's organisation, management and control model, broken down into all its components, in accordance with the provisions of Legislative Decree no. 231/2001 and the indications provided by the Confindustria Guidelines.

The implementation of Phase 5 was supported both by the results of the previous phases and by the choices made by the Company's decision-making bodies.

3.3 The Organisation, Management and Control Model of Imprima S.p.A.

The construction by the Company of its own model of organisation, management and control pursuant to Legislative Decree no. 231/2001 (hereinafter, the "Model") involved an assessment of the existing organisational model in order to make it consistent with the control principles introduced by Legislative Decree no. 231/2001 and, consequently, suitable to prevent the commission of the offences referred to in the decree itself.

Legislative Decree no. 231/2001, in fact, attributes, together with the occurrence of the other circumstances provided for in Articles 6 and 7 of the Decree, a justifying value to the adoption and effective implementation of organisational, management and control models to the extent that the latter are suitable for preventing, with reasonable certainty, the commission or attempted commission of the offences referred to in the Decree.

In particular, pursuant to Article 6(2) of Legislative Decree no. 231/2001, an organisation and management model must meet the following requirements

- identify the activities within the scope of which offences may be committed
- provide for specific control protocols aimed at planning the formation and implementation of the entity's decisions in relation to the offences to be prevented; and
- identify methods of managing financial resources suitable to prevent the commission of offences;
- provide for information obligations vis-à-vis the body responsible for supervising the functioning of and compliance with the models
- introduce a disciplinary system capable of sanctioning non-compliance with the measures indicated in the model.

In the light of the above considerations, the Company intended to prepare a Model which, on the basis of the indications provided by the Confindustria Guidelines, would take into account its own peculiar corporate reality, in line with its own governance system and able to enhance the existing controls and bodies.

The adoption of the Model, pursuant to the aforementioned Decree, does not constitute an obligation. However, the Company has deemed such adoption to be in line with its own corporate policies in order to

- establish and/or strengthen controls that enable the Company to prevent or promptly react to prevent the commission of offences by senior management and persons subject to the management or supervision of the former that entail the administrative liability of the Company;
- raise awareness, with the same aims, of all persons who collaborate, in various capacities, with the Company (external collaborators, suppliers, etc.), requesting them, within the limits of the activities carried out in the interest of the Company, to adapt their conduct so as not to entail the risk of commission of offences;
- guarantee its integrity, by adopting the fulfilments expressly provided for in Article 6 of the Decree
- improve effectiveness and transparency in the management of corporate activities;

- determine a full awareness in the potential perpetrator of the offence that he is committing an offence (the commission of which is strongly condemned and contrary to the interests of the Company even when he might apparently gain an advantage).

The Model, therefore, represents a coherent set of principles, procedures and provisions that: i) affect the internal functioning of the Company and the ways in which it relates to the outside world and ii) regulate the diligent management of a control system of sensitive activities, aimed at preventing the commission or attempted commission of the offences referred to in Legislative Decree no. 231/2001.

The Model, as approved by the Company's Board of Directors, comprises the following elements

- process of identification of the corporate activities within the scope of which the offences referred to in Legislative Decree no. 231/2001 may be committed
- provision of control protocols (or standards) in relation to the sensitive activities identified;
- process of identifying the methods of managing financial resources suitable to prevent the commission of offences;
- supervisory body;
- information flows to and from the supervisory body and specific obligations to inform the supervisory body;
- disciplinary system to sanction the violation of the provisions contained in the Model;
- training and communication plan for employees and other persons interacting with the Company;
- criteria for updating and adjusting the Model;
- Code of Ethics.

The above-mentioned constituent elements are represented in the following documents:

- Organisation, management and control model pursuant to Legislative Decree 231/01 (consisting of this document);
- Code of Ethics.

The document "Organisation, management and control model pursuant to Legislative Decree 231/01" contains:

(i) in the General Section, a description of:
- the reference regulatory framework
- the company reality, governance system and organisational structure of the Company;
- the characteristics of the Company's supervisory body, with specification of its powers, duties and information flows
- the function of the disciplinary system and the relevant system of sanctions;
- the training and communication plan to be adopted in order to ensure awareness of the measures and provisions of the Model;
- the criteria for updating and adapting the Model.

(ii) in the Special Part, a description relating to
- the types of offences referred to in Legislative Decree no. 231/2001 which the Company has decided to take into consideration due to the characteristics of its activity
- sensitive processes/activities and related control standards.

The document provides for the Code of Ethics, approved by resolution of the Board of Directors, as an integral part of the Model and an essential element of the control system.

The Code of Ethics sets out the ethical principles and values that make up the corporate culture and that must inspire the conduct and behaviour of those who work in the interest of the Company both inside and

outside the corporate organisation, in order to prevent the commission of the offences underlying the administrative liability of entities.

Approval of the Code of Ethics creates a coherent and effective body of internal regulations, with the aim of preventing misconduct or conduct that is not in line with Company directives, and is fully integrated with the Imprima S.p.A. Model.

4.1 The Supervisory Body of Imprima S.p.A

According to the provisions of Legislative Decree No. 231/2001 - Article 6, paragraph 1, letters a) and b) - the company may be exonerated from liability resulting from the commission of offences by persons qualified under Article 5 of Legislative Decree No. 231/2001, if the management body has, inter alia

- adopted and effectively implemented organisational, management and control models capable of preventing the offences in question
- entrusted the task of supervising the operation of and compliance with the model and of keeping it updated to a body of the entity endowed with autonomous powers of initiative and control.

The task of continuously monitoring the widespread and effective implementation of the Model, its observance by the addressees, as well as proposing its updating in order to improve its efficiency in preventing offences and crimes, is entrusted to this body set up by the company internally.

The entrusting of the aforementioned tasks to a body endowed with autonomous powers of initiative and control, together with the proper and effective performance of those tasks, is therefore an indispensable prerequisite for exemption from liability under Legislative Decree no. 231/2001.

The Confindustria Guidelines suggest that this body should be characterised by the following requirements:

(i) autonomy and independence
(ii) professionalism;
(iii) continuity of action.

The requirements of autonomy and independence would require the absence of operational tasks for the Surveillance Body, which, by making it a participant in operational decisions and activities, would jeopardise its objectivity of judgment, the provision of reports by the Surveillance Body to the highest corporate management, as well as the provision, within the annual budgeting process, of financial resources earmarked for the functioning of the Surveillance Body.

Moreover, the Confindustria Guidelines provide that 'in the case of mixed composition or with internal members of the Body, since the internal members cannot be expected to be completely independent of the entity, the degree of independence of the Body should be assessed as a whole'.

The requirement of professionalism is to be understood as the theoretical and practical knowledge of a technical-specialist nature necessary to effectively perform the functions of the Surveillance Body, i.e. the specialised techniques of those who perform inspection and advisory activities.

The requirement of continuity of action makes it necessary for the Supervisory Board to have an internal structure continuously dedicated to supervising the Model.

Legislative Decree no. 231/2001 does not provide indications on the composition of the Supervisory Board.

In the absence of such indications, the Company has opted for a solution which, taking into account the purposes pursued by the law, would be able to ensure, in relation to its size and organisational complexity, the effectiveness of the controls to which the Supervisory Board is subject, in compliance with the requirements also of autonomy and independence highlighted above.

In this context, the Supervisory Board (hereinafter the "Supervisory Board" or "SB") of the Company is a body identified by virtue of the professional skills it has acquired and its personal characteristics, such as a marked capacity for control, independence of judgment and moral integrity.

4.1.1 General principles on the establishment, appointment and replacement of the Supervisory Body

The Company "s Supervisory Board is established by resolution of the Board of Directors and remains in office for the period established at the time of its appointment.

Appointment as a member of the Supervisory Board is subject to the subjective eligibility requirements being met.

In choosing the members, the only relevant criteria are those relating to the specific professionalism and competence required to perform the functions of the Body, to honourableness and to absolute autonomy and independence with respect to the same; the Board of Directors, at the time of appointment, must acknowledge the existence of the requirements of independence, autonomy, honourableness and professionalism of its members .

In particular, following the approval of the Model or, in the case of new appointments, at the time of conferment of the office, the person appointed to cover the position of member of the Supervisory Board must issue a statement in which he/she certifies the absence of the following reasons for ineligibility

- relationships of kinship, marriage or affinity up to the fourth degree with members of the Board of Directors, auditors of the Company and auditors appointed by the auditing firm
- conflicts of interest, including potential ones, with the Company such as to undermine the independence required by the role and duties of the Supervisory Board;
- ownership, direct or indirect, of shareholdings such as to allow to exercise a significant influence on the Company;
- functions of administration - in the three financial years preceding the appointment as member of the Supervisory Body or the establishment of the consultancy/collaboration relationship with the same Body - of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;
- conviction, even if not final, or sentence applying the penalty on request (so-called plea bargaining), in Italy or abroad, for the offences referred to in Legislative Decree no. 231/2001 or other offences in any case affecting professional morality and honourableness;
- conviction, with sentence, even if not final, to a punishment implying disqualification, even temporary, from public offices, or temporary disqualification from management offices of legal persons and companies;
- pendency of proceedings for the application of a preventive measure pursuant to Law no. 1423 of 27 December 1956 and Law no. 575 of 31 May 1965 or pronouncement of a seizure decree pursuant to Article 2 bis of Law no. 575/1965 or a decree of application of a preventive measure, whether personal or real;
- lack of the subjective requirements of honourableness provided for by Ministerial Decree no. 162 of 30 March 2000 for members of the Board of Statutory Auditors of listed companies, adopted pursuant to art. 148 paragraph 4 of the Consolidated Law on Finance.

If any of the above-mentioned reasons for ineligibility should arise for an appointed person, ascertained by a resolution of the Board of Directors, he shall automatically be removed from office.

The Surveillance Body may avail itself - under its direct supervision and responsibility - in the performance of the tasks entrusted to it, of the cooperation of all the functions and structures of the Company or of external consultants, making use of their respective skills and professionalism. This power enables the Supervisory Board to ensure a high level of professionalism and the necessary continuity of action.

The above-mentioned reasons for ineligibility must also be considered with reference to any external consultants involved in the activity and performance of the tasks of the Supervisory Board.

In particular, at the time of conferring the appointment, the external consultant must issue a specific declaration in which he/she certifies

- the absence of the reasons listed above for ineligibility or reasons preventing the appointment (for example: conflicts of interest, family relationships with members of the Board of Directors, senior management in general, auditors of the Company and auditors appointed by the auditing firm, etc.);
- the circumstance of having been adequately informed of the provisions and rules of conduct laid down in the Model.

The revocation of the powers of the Supervisory Body and the attribution of such powers to another person may only take place for just cause (including in connection with the organisational restructuring of the Company) by means of a specific resolution of the Board of Directors and with the approval of the Board of Auditors.

In this regard, "just cause" for the revocation of the powers connected with the office of member of the Supervisory Body includes, by way of example and without limitation

- serious negligence in the performance of the duties connected with the office, such as: failure to draw up the half-yearly information report or the annual summary report on the activities carried out, which the Body is required to do; failure to draw up the supervisory programme
- the "omitted or insufficient supervision" by the Supervisory Body - according to the provisions of art. 6, paragraph 1, letter d), Legislative Decree no. 231/2001 - resulting from a conviction, even if not final, issued against the Company pursuant to Legislative Decree no. 231/2001 or from a sentence of application of the penalty upon request (the so-called plea bargaining);
- in the case of an internal member, the assignment of operational functions and responsibilities within the company organisation that are incompatible with the requirements of "autonomy and independence" and "continuity of action" of the Supervisory Body. In any case, any disposition of an organisational nature concerning the member (e.g. termination of employment, transfer to another position, dismissal, disciplinary measures, appointment of a new manager) must be brought to the attention of the Board of Directors;
- in the case of an external member, serious and ascertained grounds for incompatibility that would undermine his/her independence and autonomy;
- the loss of even one of the eligibility requirements.

Any decision concerning individual members or the entire Supervisory Board relating to revocation, replacement or suspension is the exclusive responsibility of the Board of Directors.

4.2 Functions and powers of the Supervisory Board

The activities carried out by the Supervisory Board cannot be reviewed by any other body or function of the Company. The verification and control activity carried out by the Supervisory Board is, in fact, strictly functional to the objectives of effective implementation of the Model and cannot replace or substitute the institutional control functions of the Company.

The Supervisory Board is vested with the powers of initiative and control necessary to ensure effective and efficient supervision of the operation of and compliance with the Model in accordance with Article 6 of Legislative Decree no. 231/2001.

The Body has autonomous powers of initiative, intervention and control, which extend to all the sectors and functions of the Company, powers which must be exercised in order to carry out effectively and promptly the functions provided for in the Model and its implementing rules.

In particular, the Supervisory Board is entrusted with the following tasks and powers for the performance and exercise of its functions

- to regulate its own operation also by introducing a regulation of its activities which provides for: the scheduling of activities, the determination of the time intervals of the controls, the identification of the analysis criteria and procedures, the regulation of information flows from the corporate structures;
- supervise the operation of the Model both with regard to preventing the commission of the offences referred to in Legislative Decree no. 231/2001 and with reference to its ability to bring to light any unlawful conduct;
- carry out periodic inspections and controls, of a continuous nature - with a time frequency and manner predetermined by the Schedule of Supervisory Activities - and unannounced controls, in view of the various sectors of intervention or types of activity and their critical points in order to verify the efficiency and effectiveness of the Model;
- freely access any department and unit of the Company - without the need for any prior consent - to request and acquire information, documents and data, deemed necessary for the performance of the tasks provided for by Legislative Decree no. 231/2001, from all employees and managers. In the event of a reasoned refusal to grant access to the documents, the Body shall draw up a report to be sent to the Board of Directors, if it does not agree with the reason given;
- requesting relevant information or the production of documents, including electronic ones, relevant to the activities at risk, from directors, control bodies, auditing firms, collaborators, consultants and in general from all persons required to comply with the Model. The obligation of the latter to comply with the request of the Body shall be included in the individual contracts.
- take care of, develop and promote the constant updating of the Model, formulating, where necessary, proposals to the management body for any updates and adjustments to be made by means of amendments and/or additions that may become necessary as a result of: i) significant violations of the provisions of the Model; ii) significant changes in the internal structure of the Company and/or the way in which business activities are carried out; iii) changes in legislation;
- checking compliance with the procedures laid down in the Model and detecting any behavioural deviations that may emerge from the analysis of information flows and reports to which the heads of the various departments are subject, and proceeding in accordance with the provisions of the Model;
- ensuring the periodic updating of the system of identification of sensitive areas, mapping and classification of sensitive activities;
- handling relations and ensuring the information flows of competence towards the Board of Directors, as well as towards the Board of Statutory Auditors;

- promote communication and training on the contents of Legislative Decree no. 231/2001 and of the Model, on the impact of the legislation on the company's activities and on rules of conduct, also establishing controls on frequency. In this regard, it will be necessary to differentiate the programme by paying particular attention to those working in the various sensitive activities;
- checking that an effective internal communication system is in place to allow the transmission of information relevant for the purposes of Legislative Decree no. 231/2001, guaranteeing the protection and confidentiality of the reporting person;
- ensure knowledge of the conduct that must be reported and of the procedures for making reports;
- provide clarifications on the meaning and application of the provisions contained in the Model;
- formulate and submit for approval by the management body the expenditure forecast necessary for the proper performance of the tasks assigned, with absolute independence. This expenditure forecast, which must guarantee the full and correct performance of its activity, must be approved by the Board of Directors. The Body may autonomously commit resources exceeding its spending powers, if the use of such resources is necessary to deal with exceptional and urgent situations. In such cases, the Body must inform the Board of Directors at the meeting immediately following;
- promptly report to the management body, for the appropriate measures, the ascertained violations of the Model which may entail a liability for the Company;
- verify and assess the suitability of the disciplinary system pursuant to and for the purposes of Legislative Decree no. 231/2001;
- as part of the activity of supervising the application of the Model by the subsidiaries, the Company's Supervisory Board is assigned the power to acquire, without any form of intermediation, relevant documentation and information and to carry out periodic checks and targeted audits on individual activities at risk.

In carrying out its activities, the Surveillance Body may avail itself of the functions present in the Company by virtue of the relevant competences.

4.3 Obligations to inform the Surveillance Body - Information flows

The Supervisory Board must be promptly informed, by means of a special communication system, about those acts, behaviours or events which may lead to a violation of the Model or which, more generally, are relevant for the purposes of Legislative Decree no. 231/2001.

The obligation to provide information on any conduct contrary to the provisions contained in the Model falls within the broader duty of diligence and obligation of loyalty of the employee.

The company departments operating within the scope of sensitive activities must provide the Supervisory Board with information concerning: i) the periodic results of the control activities carried out by them in implementation of the Model, also on request (summary reports of the activities carried out, etc.); ii) any anomalies or atypicalities found in the information available.

The information may concern, by way of example only

- operations falling within sensitive activities (for example: accident reports, inspections received from public officials, etc.)
- measures and/or news coming from the judicial police, or any other authority, from which it can be inferred that investigations are being carried out, even against unknown persons, for offences covered by Legislative Decree no. 231/2001 and which may involve the Company;
- requests for legal assistance made by employees in the event of legal proceedings being initiated against them and in relation to the offences referred to in Legislative Decree no. 231/2001, unless expressly prohibited by the judicial authority;
- reports prepared by the heads of other corporate functions as part of their control activities and from which facts, acts, events or omissions with critical profiles could emerge with respect to compliance with the rules and provisions of the Model;
- news relating to disciplinary proceedings carried out and any sanctions imposed (including measures taken against employees) or measures to dismiss such proceedings with the relevant reasons;
- any other information which, although not included in the above list, is relevant for the purposes of correct and complete supervision and updating of the Model.

As regards partners, consultants, external collaborators, etc., there is a contractual obligation to inform them immediately if they receive, directly or indirectly, from an employee/representative of the Company a request for conduct that could lead to a violation of the Model.

4.3.1 Whistleblowing

Pursuant to Article 6, paragraph 2-bis of Legislative Decree no. 231/2001, the recipients of this Model are provided with a reporting system to highlight unlawful conduct, on the basis of precise and concordant facts.

Such conduct may concern violations of the provisions

- by Legislative Decree 231/01
- this Model
- the Company's Code of Ethics;
- the internal documents adopted by the Company to implement them (e.g. procedures and policies).

In this regard, the following general requirements apply:

- any reports must be collected relating to: i) the commission, or reasonable danger of commission, of offences referred to in Legislative Decree no. 231/2001; ii) conduct not in line with the rules of conduct issued by the Company; iii) conduct which, in any case, may lead to a breach of the Model;

- employees who become aware of a violation, attempt or suspected violation of the Model, may contact their direct superior or, if the report is unsuccessful or the employee feels uncomfortable in contacting his direct superior to make the report, report directly to the Supervisory Body;
- partners, consultants, external collaborators, with regard to the relations and activities carried out in relation to the Company, may report directly to the Supervisory Board any situation in which they receive, directly or indirectly, from an employee/representative of the Company a request for conduct that could lead to a violation of the Model;
- in order to effectively collect the reports described above, the Supervisory Board shall promptly and extensively inform all the persons concerned of the ways and forms in which such reports are made;
- the Supervisory Board shall assess, at its discretion and under its responsibility, the reports received and the cases in which it is necessary to take action;
- determinations regarding the outcome of the assessment must be justified in writing.

Reports shall be collected through the following channels

- by e-mail, through the mailbox dedicated to the Supervisory Board (odvimprima@imprima.it) ;
- in paper form and confidentially, by ordinary mail addressing them to the kind attention of the chairman of the Supervisory Board, at Corso Italia 22, CAP 20122, Milano (MI) / Via Ferloni 42, CAP 22070, Bulgarograsso (CO) - with the indication not to open the envelope.

Reports shall be handled in line with the provisions of the internal organisational provisions adopted by the Company on Whistleblowing,

The Company adopts appropriate and effective measures to ensure that confidentiality is always guaranteed with regard to the identity of those who transmit information to the Body that is useful for identifying behaviour that is not in line with the provisions of the Model, the procedures established for its implementation and the procedures established by the internal control system, without prejudice to legal obligations and the protection of the rights of the Company or of persons wrongly accused and/or in bad faith.

The Company guarantees the confidentiality of the identity of the whistleblower pursuant to Law No. 179/2017.

It is also forbidden to retaliate or discriminate, directly or indirectly, against the whistleblower for reasons related, directly or indirectly, to the report.

It should also be noted that, pursuant to Article 6(2-bis)(d) of Legislative Decree no. 231/01, in addition to the provisions of Chapter 5 "Disciplinary system", to which reference should be made, further sanctions are provided for "against anyone who breaches the measures for the protection of the reporting party, as well as against anyone who makes reports that turn out to be unfounded with malice or serious misconduct".

4.3.2 Collection and storage of information

All the information, indications, reports provided for in the Model are kept by the Supervisory Board in a special archive (computerised or on paper) for a period of at least 10 years.

4.3.3 Reporting by the Supervisory Board to the corporate bodies

The Supervisory Board reports on the implementation of the Model, on the emergence of any critical aspects, on the need to make changes. Separate reporting lines are provided for by the Supervisory Board:

- on an ongoing basis, it reports to the Board of Directors, in the person of the Managing Director;
- on a periodic annual basis, it reports to the Board of Directors, in the presence of the Board of Statutory Auditors.

Meetings with the corporate bodies to which the Supervisory Board reports must be documented. The Supervisory Board takes care of filing the relevant documentation.

The Supervisory Board prepares:

i) every six months, an information report on the activities carried out, to be submitted to the Board of Directors and the Board of Statutory Auditors;

ii) annually, a report summarising the activities carried out in the current year and a plan of the activities planned for the following year, to be submitted to the Board of Directors and the Board of Statutory Auditors;

iii) immediately, a communication relating to the occurrence of extraordinary situations (e.g. significant violations of the principles contained in the Model, legislative innovations concerning the administrative liability of entities, significant changes in the Company's organisational structure, etc.) and, in the case of reports received that are of an urgent nature, to be submitted to the Managing Director.

The periodic reports prepared by the Body shall also be drawn up in order to allow the Board of Directors to make the necessary assessments for any updates to the Model and shall at least contain

- any problems that have arisen with regard to the way in which the procedures provided for in the Model or adopted in implementation or in the light of the Model have been implemented;
- the report of the reports received from internal and external subjects concerning the Model;
- any disciplinary procedures and sanctions applied by the Company, with exclusive reference to activities at risk;
- an overall assessment of the functioning of the Model with any indications for additions, corrections or amendments.

CHAPTER 5 - DISCIPLINARY SYSTEM

5.1 Function of the disciplinary system

Article 6(2)(e) and Article 7(4)(b) of Legislative Decree no. 231/2001 indicate, as a condition for the effective implementation of the organisation, management and control model, the introduction of a disciplinary system capable of penalising failure to comply with the measures indicated in the model.

Therefore, the definition of an adequate disciplinary system is an essential prerequisite for the exemption value of the model with respect to the administrative liability of entities.

The adoption of disciplinary measures in the event of violations of the provisions contained in the Model is independent of the commission of an offence and of the conduct and outcome of any criminal proceedings instituted by the judicial authorities.

Compliance with the provisions contained in the Model adopted by the Company shall be considered an essential part of the contractual obligations of the "Recipients" defined below.

Violation of its provisions damages the relationship of trust established with the Company and may lead to disciplinary, legal or criminal action. In the most serious cases, the violation may lead to the termination of the employment relationship, if committed by an employee, or to the interruption of the relationship, if committed by a third party.

For this reason, each Addressee is required to be familiar with the rules contained in the Company's Model, in addition to the reference rules governing the activity carried out within his/her function.

This system of sanctions, adopted pursuant to Article 6, paragraph 2, letter e) of Legislative Decree no. 231/2001, shall be considered complementary and not alternative to the disciplinary system established by the C.C.N.L. in force and applicable to the different categories of employees working for the Company.

The imposition of disciplinary sanctions for violations of the Model is irrespective of any criminal proceedings for the commission of one of the offences provided for in the Decree.

The penalty system and its application are constantly monitored by the Supervisory Board.

No disciplinary proceedings may be dismissed, nor may any disciplinary sanction be imposed, for violation of the Model, without prior information and the opinion of the Supervisory Board.

5.2 Sanctions and disciplinary measures

5.2.1 Sanctions against Employees

The Code of Ethics and the Model constitute a set of rules with which the employees of a company must comply, also pursuant to the provisions of Articles 2104 and 2106 of the Civil Code and the National Collective Labour Agreements (CCNL) on the subject of behavioural rules and disciplinary sanctions. Therefore, all conduct by employees in violation of the provisions of the Code of Ethics, the Model and its implementation procedures, constitute a breach of the primary obligations of the employment relationship and, consequently, offences, leading to the possibility of disciplinary proceedings and the consequent application of the relevant sanctions.

Moreover, pursuant to Article 6(2-bis), any employee who, in breach of the internal procedures laid down in the Whistleblowing Model, or by adopting a conduct which does not comply with the provisions of the Model, engages in direct or indirect retaliatory or discriminatory acts against the whistleblower for reasons directly or indirectly linked to the report, or who makes reports which prove to be unfounded, with malice or serious misconduct, shall be punished.

The measures provided for in the CCNL SMI (Sistema Moda Italia) for employees in the textile and clothing production industry are applicable to employees with the status of manual worker, office worker and middle management, in accordance with the procedures laid down in Article 7 of Law No. 300 of 20 May 1970 (Workers' Statute).

These measures are those provided for in the disciplinary rules, and specifically, depending on the seriousness of the offences, the following disciplinary measures are provided for

- verbal warning for minor offences;
- written warning in the event that the offences, even if minor, tend to be repeated;
- fine not exceeding the amount of two hours of the national wage element;
- suspension from work and pay up to a maximum of three days;
- disciplinary dismissal without notice and with the other consequences of reason and law.

The company may not apply any disciplinary measure against the worker, except for a verbal reprimand, without first notifying him/her of the charge in writing and hearing his/her defence. In the written notice referred to above, the company shall indicate the specific facts constituting the offence charged. The disciplinary measure cannot be applied until 5 days have elapsed from the documented notification of the infringement. After the aforementioned period of 5 days has elapsed, if the company does not consider valid the justifications put forward by the worker or in the absence of counter-deductions and justifications by the worker, it may apply the disciplinary measure by giving the worker a reasoned written notice.

By way of example only, a fine or suspension may be imposed on an employee:

- who does not report to work, does not communicate (except in the case of proven impediment) and does not justify the absence in the manner and within the time limits set out in Articles 55, 61 and 62 of the CCNL), or who is absent after having requested leave in the absence of the authorisation provided for therein;
- who, without legitimate justification, delays the commencement of work or suspends or anticipates the cessation of work or abandons his post without having obtained authorisation from his direct superior;
- who, through negligence, fails to carry out the work entrusted to him;
- who does not wear the work clothes provided by the company, if required by his job;
- who does not use the personal protective equipment foreseen by his job;
- who, inside the factory, carries out work on his own account, without however causing serious damage to the company due to the small amount of work itself and of the material that may be used;
- who, through carelessness, causes damage to machines or material or causes waste or delays the execution of the work or jeopardises its success;
- who, being aware of machine breakdowns or irregularities in the progress of work, does not inform his direct superior;
- who, in his own interest or that of a fellow worker, excluding any prior agreement with others, alters the control systems set up by the company (cards, records) for the purpose of ascertaining the presence of workers and compliance with the timetable;
- who contravenes the ban on smoking inside the factory;
- who contravenes the provisions on working environment, hygiene and safety set out in Article 20 of Legislative Decree no. 81 of 9 April 2008 and/or the provisions of the regulations issued by the Group.

By way of example only, disciplinary dismissal applies to the following offences:

- non-compliance with the ban on smoking when such a ban is imposed to avoid dangers to persons, plants and materials;
- non-compliance with the provisions contained in the "Internal Safety Regulations" when the violation of the provisions results in personal injury and/or serious damage to company property;
- unjustified absences for more than three consecutive working days, or unjustified absences repeated three times in a year, in the days following holidays or holidays. This does not include public holidays or non-working days between days of absence;
- abandonment of one's place of work that causes prejudice to the safety of persons and to the safety of installations, except in the event of serious and immediate danger that cannot be avoided, unless the worker himself has been duly trained and instructed to deal with the state of danger in order to put an end to it or mitigate it;
- serious negligence in carrying out work or orders that cause harm to the safety of persons or the safety of installations
- non-compliance with the ban on eating and drinking or smoking in work areas designated for exposure to carcinogenic risks or for exposure to biological risks;
- quarrels of particular gravity and followed by deeds, within the factory precinct, when they show or confirm a tendency to violent acts;
- repeated offences which have already given rise to suspension for the same offence, or suspension for a different offence in the preceding four months;
- theft, stealing of materials, models, designs, provided that the fact is proven, even if there is no relevant damage and the judicial authority has not intervened. In the case of models and drawings only, the element of originality shall be taken into account;

- when the non-suspended worker agrees to produce or contributes to produce on behalf of third parties outside the establishment, articles or parts thereof, similar to those produced in the establishment;
- when, working alone or together with other workers inside the factory, for his own benefit, and introducing or removing materials, including those belonging to him, has, due to the continuous nature of this activity and its extent, caused damage to the company;
- insubordination towards the company or the elements delegated by it, when there are no extenuating reasons or the insubordination, due to the low seriousness of the acts, has not harmed the discipline of the factory;
- dealing with business on their own behalf and on behalf of third parties in competition with the entrepreneur.

5.2.2 Sanctions against managers

The management relationship is characterised by its eminently trustworthy nature. The conduct of the Manager not only reflects within the Company, constituting a model and example for all those who work there, but also affects its external image. Therefore, compliance by the Company's managers with the provisions of the Code of Ethics, the Model and the relevant implementation procedures is an essential element of the managerial employment relationship.

With regard to executives who have committed a violation of the Code of Ethics, the Model or the procedures established to implement it, the department holding the disciplinary power shall initiate the procedures for which it is responsible in order to make the relevant charges and apply the most appropriate sanctions, in accordance with the provisions of the CCNL Executives and, where necessary, in compliance with the procedures referred to in Article 7 of Law no. 300 of 30 May 1970.

The sanctions must be applied in accordance with the principles of gradualness and proportionality with respect to the seriousness of the fact and guilt or possible malice. Among other things, with the notification, the revocation of any powers of attorney entrusted to the person concerned may be ordered as a precautionary measure, up to the possible termination of the relationship in the presence of violations so serious as to undermine the relationship of trust with the Company.

5.2.3 Sanctions against Directors

In the event of violations of the provisions contained in the Model by one or more Directors, the Board of Directors and the Board of Statutory Auditors shall be informed so that the appropriate measures can be taken in accordance with the law or the provisions adopted by the Company. It should be noted that pursuant to Article 2392 of the Civil Code, directors are liable to the company for failing to perform the duties imposed by law with due diligence. Therefore, in relation to the damage caused by specific prejudicial events strictly attributable to the failure to exercise due diligence, the exercise of a corporate liability action pursuant to Article 2393 et seq. of the Italian Civil Code may be related in the opinion of the Shareholders' Meeting.

In order to guarantee the full exercise of the right of defence, a time limit must be provided within which the person concerned may submit justifications and/or defensive writings and may be heard.

5.2.4 Sanctions against Auditors

On receiving notice of violation of the provisions and rules of conduct of the Model by one or more Auditors, the Supervisory Board shall promptly inform the entire Board of Auditors and the Board of Directors.

The recipients of the information from the Supervisory Board may, in accordance with the provisions of the Articles of Association, take the appropriate measures, including, for example, calling a Shareholders' Meeting, in order to adopt the measures deemed most appropriate.

In order to guarantee the full exercise of the right of defence, a time limit must be provided for the person concerned to submit justifications and/or defensive writings and to be heard.

5.2.5 Sanctions against collaborators and external subjects working on behalf of the Company

As regards collaborators or external subjects working on behalf of the Company, the sanction measures and the application methods for violations of the Code of Ethics, the Model and the relevant implementation procedures shall be determined in advance.

These measures may provide for termination of the relationship in the case of more serious violations, and in any case when such violations are such as to damage the Company's trust in the person responsible for the violations. In the event of a breach by these persons, the Supervisory Board shall inform the Managing Director in a written report.

5.2.6 Measures against the Supervisory Board

In the event of negligence and/or inexperience on the part of the Supervisory Board in supervising the proper application of the Model and compliance therewith, and in failing to identify cases of violation thereof and proceeding to their elimination, the Board of Directors shall, in agreement with the Board of Statutory Auditors, take the appropriate measures in accordance with the procedures provided for by the legislation in force, including the revocation of the appointment, without prejudice to the claim for damages.

In order to guarantee the full exercise of the right of defence, a deadline must be set for the person concerned to submit justifications and/or defensive writings and to be heard.

In the event of alleged unlawful conduct on the part of members of the Surveillance Body, once the report has been received, the Board of Directors shall investigate the actual unlawful act and then determine the relevant sanction to be applied.

CHAPTER 6 - TRAINING AND COMMUNICATION PLAN

6.1 Introduction

In order to effectively implement the Model, the Company intends to ensure proper dissemination of its contents and principles inside and outside its organisation.

In particular, the Company's objective is to communicate the contents and principles of the Model not only to its employees but also to persons who, although not formally employees, work - even occasionally - to achieve the Company's objectives by virtue of contractual relationships. In fact, the recipients of the Model are both the persons who hold positions of representation, administration or management in the Company, and the persons subject to the management or supervision of one of the aforementioned persons (pursuant to Article 5 of Legislative Decree no. 231/2001), but also, more generally, all those who work to achieve the purpose and objectives of the Company. The recipients of the Model therefore include members of corporate bodies, persons involved in the functions of the Supervisory Board, employees, collaborators, agents, traders, external consultants and commercial and/or industrial and/or financial partners.

The Company, in fact, intends to

- determine, in all those who operate in its name and on its behalf in the "sensitive areas", the awareness of the possibility of incurring, in the event of violation of the provisions contained therein, in an offence punishable by sanctions;
- inform all those who operate in any capacity in its name, on its behalf or in its interest that the violation of the provisions contained in the Model shall entail the application of appropriate sanctions or the termination of the contractual relationship;
- reiterate that the Company does not tolerate unlawful conduct of any kind and for any purpose whatsoever, since such conduct (even if the Company were apparently in a position to benefit from it) is in any case contrary to the ethical principles to which the Company intends to adhere.

The communication and training activity varies according to the addressees to whom it is addressed, but it is, in any case, based on principles of completeness, clarity, accessibility and continuity in order to allow the various addressees to be fully aware of those corporate provisions they are required to comply with and of the ethical rules that must inspire their conduct.

These addressees are required to comply punctually with all the provisions of the Model, also in fulfilment of the duties of loyalty, correctness and diligence arising from the legal relations established by the Company.

Communication and training activities are supervised by the Supervisory Board, which is assigned, among others, the tasks of "promoting and defining initiatives for the dissemination of knowledge and understanding of the Model, as well as for staff training and awareness-raising on compliance with the principles contained in the Model" and of "promoting and developing communication and training interventions on the contents of Legislative Decree no. 231/2001, on the impacts of the legislation on the company's activities and on the rules of conduct".

6.2 Employees

Each employee is required to: i) acquire awareness of the principles and contents of the Model and of the Code of Ethics; ii) know the operating methods with which their activities must be carried out; iii) contribute actively, in relation to their role and responsibilities, to the effective implementation of the Model, reporting any shortcomings found in it.

In order to ensure an effective and rational communication activity, the Company promotes knowledge of the contents and principles of the Model and of the implementation procedures applicable to them within the organisation, with a degree of detail that varies according to the position and role covered.

Employees and new recruits are given a copy of the Model and the Code of Ethics or are guaranteed the possibility of consulting them directly on the company Intranet in a dedicated area; and they are asked to sign a declaration of knowledge of and compliance with the principles of the Model and the Code of Ethics described therein.

In any case, for employees who do not have access to the Intranet, such documentation shall be made available to them by alternative means, such as attachment to the pay slip or posting on company notice boards.

Communication and training on the principles and contents of the Model and of the Code of Ethics are ensured by the heads of the individual functions who, according to the indications and plans of the Supervisory Board, identify the best way to use such services.

The training initiatives may also be carried out remotely through the use of IT systems (e.g.: video conference, e-learning, staff meeting, etc.).

At the end of the training event, participants must fill in a questionnaire, thus certifying that they have received and attended the course.

Completion and submission of the questionnaire will be a declaration of knowledge of and compliance with the contents of the Model.

Suitable communication tools will be adopted to update the addressees of this paragraph on any changes made to the Model, as well as on any relevant procedural, regulatory or organisational changes.

6.3 Members of corporate bodies and persons representing the Company

Members of corporate bodies and persons with functions of representation of the Company shall be provided with a hard copy of the Model when they accept the office conferred on them and shall be required to sign a declaration of compliance with the principles of the Model and the Code of Ethics.

Suitable communication and training tools shall be adopted to update them on any amendments made to the Model, as well as on any relevant procedural, regulatory or organisational changes.

6.4 Supervisory Body

Specific training or information (e.g. on any organisational and/or business changes in the Company) shall be provided to the members of the Supervisory Board and/or to the persons it uses in the performance of its functions.

6.5 Other addressees

The activity of communication of the contents and principles of the Model shall also be addressed to third parties who have contractually regulated cooperation relations with the Company (for example: commercial/industrial partners, agents, traders, consultants and other self-employed collaborators), with particular reference to those who operate within the scope of activities considered sensitive pursuant to Legislative Decree no. 231/2001.

To this end, the Company shall provide third parties with an extract of the reference Principles of the Model and of the Code of Ethics and shall assess the opportunity to organise ad hoc training sessions if it deems it necessary.

Training initiatives may also take place at a distance through the use of IT systems (e.g. video conferencing, e-learning).

CHAPTER 7 - ADOPTION OF THE MODEL - CRITERIA FOR SUPERVISION, UPDATING AND ADAPTATION OF THE MODEL

7.1 Checks and controls on the Model

The Supervisory Board must draw up a supervisory programme on an annual basis, through which it plans, in principle, its activities, including a calendar of activities to be carried out during the year, the determination of the timing of checks, the identification of analysis criteria and procedures, the possibility of carrying out unscheduled checks and controls.

In carrying out its activities, the Surveillance Body may rely both on the support of functions and structures within the Company with specific competences in the corporate sectors from time to time subject to control and, with reference to the performance of the technical operations necessary for carrying out the control function, on external consultants. In this case, the consultants shall always report the results of their work to the Supervisory Board .

During the audits and inspections, the Supervisory Board is granted the widest powers in order to effectively perform the tasks entrusted to it.

7.2 Updating and adaptation

The Board of Directors resolves on the updating of the Model and its adjustment in relation to changes and/or additions that may become necessary as a result of:

i) significant violations of the Model's prescriptions;
ii) changes in the Company's internal structure and/or in the ways in which business activities are carried out
iii) regulatory changes;
iv) results of controls.

Once approved, the amendments and the instructions for their immediate application shall be communicated to the Supervisory Board, which shall, without delay, make the same amendments operational and ensure the correct communication of their contents inside and outside the Company.

The Surveillance Body retains, in any case, precise tasks and powers with regard to the care, development and promotion of the constant updating of the Model. To this end, it formulates observations and proposals, concerning the organisation and the control system, to the relevant corporate structures or, in cases of particular importance, to the Board of Directors.

In particular, in order to ensure that changes to the Model are made with the necessary timeliness and effectiveness, without at the same time incurring defects in the coordination between operational processes, the provisions contained in the Model and their dissemination, the Board of Directors has decided to delegate to the Managing Director the task of periodically making, where necessary, changes to the Model relating to aspects of a descriptive nature. It should be noted that the expression "descriptive aspects" refers to elements and information deriving from acts decided by the Board of Directors (such as, for example, the redefinition of the organisational chart) or from corporate functions with specific delegated powers (e.g. new corporate procedures).

On the occasion of the presentation of the annual summary report, the Surveillance Body shall submit to the Board of Directors a specific information note on the changes made in the implementation of the delegation granted to the Managing Director, in order to have them ratified by the Board of Directors.

In any case, the Board of Directors shall remain solely responsible for resolving on updates and/or adjustments to the Model due to the following factors

- intervention of regulatory changes in terms of administrative liability of entities;
- identification of new sensitive activities, or variation of those previously identified, also possibly connected to the start-up of new business activities;
- formulation of observations by the Ministry of Justice on the Guidelines pursuant to Article 6 of Legislative Decree no. 231/2001 and Articles 5 et seq. of Ministerial Decree no. 201 of 26 June 2003;
- commission of the offences referred to in Legislative Decree no. 231/2001 by the recipients of the provisions of the Model or, more generally, of significant violations of the Model
- detection of shortcomings and/or gaps in the Model's provisions following checks on its effectiveness.

The Model shall, in any case, be subject to a periodic review procedure to be decided by the Board of Directors.