

## DISCLOSURES ON ORGANIZATION, MANAGEMENT AND SUPERVISION MODEL

In order to strengthen all the company governance and supervision tools adopted to protect the Company and its shareholders, Radici Chimica S.p.A. considered it appropriate to approve its Organization, Management and Supervision Model by resolution passed by the Board of Directors on 2 November 2016, implementing the provisions set forth in Gov. Decree no. 231/2001.

Gov. Decree no. 231/2001, concerning the "Regulations on the liability of legal entities, companies and associations, even lacking juridical status" explicitly states that a Company can be deemed liable for specific offences, whether committed or attempted to its benefit or interest by executives or employees, whereby major fines or prohibitory penalties shall be applied accordingly. Release from any administrative liability applies if the entity proves that: (i) a suitable Organization, Management and Supervision Model for offence prevention was adopted and effectively implemented before the offence occurred; (ii) an independent body (namely, the "Supervisory Body") with full powers of action and supervision was vested with supervisory authority on the operation, effectiveness and compliance with the Model as well as its update; (iii) the said body did not fail to perform any or adequate supervision. As a consequence, proper management is the only corporate tool that may effectively prevent corporate liability and subsequent penalties applied to the Company.

By adopting its own Model, Radici Chimica S.p.A. intends to firmly state and assure its stakeholders that any unlawful conduct shall be strongly disapproved of by the Company, which adopted a suitable policy and supervisory system to prevent any conduct that may refer to the offence occurrences provided for by Gov. Decree no. 231/2001 and that, as a consequence, may seriously jeopardize the company uprightness and standing. The Model aims at raising awareness among all those who act on behalf of Radici Chimica, especially in the areas identified as "high risk areas" where the offences provided for by the Decree might occur, in order to promote the fair, transparent management of corporate activities and the full compliance with the applicable regulations and ethical values in conducting business.

The project steps leading to the drafting of the Organization, Management and Supervision Model were as follows:

- Risk Assessment, or mapping of sensitive corporate areas (the activities raising a potential hazard of predicate offences committed in the Company's interest or benefit, which involve administrative liability),
- Gap Analysis, that is, the assessment of improvement areas of the supervisory system adopted by the Company with a view to the prevention of predicate offences.

Based on the results of the aforesaid activities, an effective Organization, Management and Supervision Model, was set up to meet the Company's specific requirements. This document includes a general section and a special one. On the one hand, besides describing the contents of the Decree, the general section recalls the types of offence that involve an entity's administrative liability, possible penalties and the conditions for the release from liabilities, as well as the corporate structure and the activities performed for developing, disseminating and updating the Model. The special section, on the other hand, includes a set of decision protocols, namely, a set of supervisory principles and standards of conduct considered as

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(società con azionista unico)

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Società soggetta alla attività di direzione e coordinamento, ex art. 2497 e seguenti,  
di RadiciFin S.P.A. con sede in Bergamo

appropriate to govern the areas raising a potential hazard of predicate offences, which involve administrative liability pursuant to Gov. Decree no. 231/2001.

The standards contained in the Model are added to the ones set in the Code of Ethics adopted by the Company, containing the ethical and legal principles that the Company acknowledges as foundations in the performance of its business activities and that represent the standards of conduct that the employees and contractors cooperating with Radici Chimica S.p.A. must draw upon.

Considering the continuous law and regulation developments on the matter as well as any organizational changes that may occur in the Company, the adopted Model will be subject to updates and additions.

Finally, it is also reported that the Supervisory Body in office consists of the following members:

- Mr Andrea Reghelin, legal counsel (Chairman)
- Mr Stefano Alini (internal member).
- Mr Igor Scandolara (external member)

All reports and/or queries on the application of the Model and/or the Code of Ethics and/or reports to the Supervisory Body shall be forwarded:

- to the dedicated e-mail address [odv231.radicichimica@radicigroup.com](mailto:odv231.radicichimica@radicigroup.com)
- by mail to the Supervisory Body's address: Radici Chimica S.p.A. – Organismo di Vigilanza, Via Giacomo Fauser n. 50, 28100 Novara.

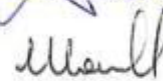
Novara, 15 March 2017

Il CdA DI Radici Chimica

Radici Angelo



Radici Maurizio



Radici Paolo

