BREMA GROUP S.P.A.

Organizational Model
ex D. Lgs no. 231 of 8 June 2001

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Version

Version	Date	Author	Changes
1.0	26.07.2023	Avv. Fabrizio de' Sanna	
1.1	20.12.2023	Avv. Fabrizio de' Sanna	- Integration of predicate offences (Legislative Decree 19/2023, Law no. 93/2023 and Law no. 137/2023).
1.2.	09.05.2024	Avv. Fabrizio de' Sanna	- Update of the corporate functions as identified by the organizational chart updated on 2 May 2024; - Indication of the adoption of the IT platform *BITLS* (*BITLIFESOLUTIONS)* for reports *pursuant to* Legislative Decree 24/2023. - Compliance with EU Regulation 2016/679, known as GDPR

			(*General Data Protection Regulation*).

Approval

Governing body	Date
Board of Directors	26.07.2023
Board of Directors	20.12.2023
Board of Directors	27.06.2024

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GENERAL PART

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1. LEGISLATIVE DECREE NO 231/2001.

1.1. The regulatory framework.

With the enactment of Legislative Decree No. 231 of 8 June 2001 (hereinafter, "Legislative Decree No. 231/2001" or the "Decree"), the delegated legislator introduced into the Italian legal system a complex and innovative system of sanctions that provides for forms of administrative liability of entities (legal persons, companies and associations, including those without legal personality) for crimes committed in their interest or to their advantage by persons who hold a top position in them, or persons subject to the direction or supervision of the latter.

In order for the entity to be held liable for the administrative offence, it is necessary that the predicate offence committed is objectively linked to it and that it is an expression of company policy or derives, at least, from an "organisational fault", understood as a failure to adopt the necessary safeguards to prevent the offence from being committed.

And, in fact, the natural scope of application of the administrative liability of entities, which arises from the general framework outlined by Legislative Decree no. 231/2001, is the company in which the commission of the crimes does not necessarily derive from a specific corporate will, but essentially from a lack of organization or control on the part of the top management. The primary objective sought by the legislator is, therefore, to promote a business culture in which the preventive vocation is strong, aimed at minimizing the risk that certain crimes, specifically provided for, may be committed in its interest or to its advantage. Issued in implementation of the delegation conferred on the Government by art. 11 of Law no. 300 of 29 September 2000, Legislative Decree no. 231/2001 finds its primary genesis in a number of international and EU conventions ratified by Italy: Brussels Convention of 26 July 1995 on the protection of the European Union's financial interests; Brussels Convention of 26 May 1997 on combating corruption of public officials of the European Union or of the Member States of the European Union; OECD Convention of 17 September 1997 on Combating Bribery of Foreign Public Officials in Business and International Transactions.

In this version of the Organisational Model, all previous references to the words "European Communities" have been replaced with the words "European Union", as provided for in Article 7 of Legislative Decree no. 75 of 14 July 2020.

1.2. Predicate offences for administrative liability.

The administrative liability of the entity arises within the limits provided for by law.

The fundamental limit consists in the limited number of offences (so-called predicate offences) for which the entity can be held accountable in criminal proceedings. Originally provided for crimes against the Public Administration or against the assets of the Public Administration, the liability of the entity was subsequently extended – as a result of autonomous legislative interventions by Parliament – to numerous other crimes that have fully entered the catalog of the so-called "so-called". 'predicate offences'. On the date of approval of this document, the offences from the commission of which such liability may derive are those listed in Articles 24 to 25-duodevicies of the Decree:

- undue receipt of disbursements, fraud to the detriment of the State, a public body or the European Union or for the achievement of public disbursements, computer fraud to the detriment of the State or a public body and fraud in public supplies (art. 24);
- computer crimes and unlawful processing of data (art. 24-bis);
- organised crime offences (art. 24-ter);
- embezzlement, bribery, undue inducement to give or promise benefits and corruption (art. 25);

- counterfeiting of coins, public credit cards, revenue stamps and instruments or signs of identification (art. 25-bis);
- crimes against industry and commerce (art. 25-bis.1);
- corporate crimes (art. 25-ter);
- crimes with the aim of terrorism or subversion of the democratic order (art. 25-quarter);
- mutilation of female genital organs (art. 25-quarter.1);
- crimes against the individual personality (art. 25-quinquies);
- market abuse (art. 25-sexies);
- manslaughter and serious or very serious negligent injuries committed in violation of the rules on the protection of health and safety at work (art. 25-septies);
- receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin, as well as self-laundering (Article 25-octies);
- offences relating to non-cash payment instruments and fraudulent transfer of values (Article 25-octies.1);
- offences relating to copyright infringement (art. 25-novies);
- inducement not to make statements or to make false statements to the judicial authority (Article 25-decies);
- environmental crimes (art. 25-undecies);
- employment of illegally staying third-country nationals (Article 25k);
- racism and xenophobia (art. 25-terdecies);
- fraud in sports competitions, abusive gaming or betting and games of chance carried out by means of prohibited machines (Article 25-quaterdecies);
- tax offences (art. 25-quinquiesdecies);
- smuggling (art. 25-sexiesdecies);
- crimes against cultural heritage (25-septiesdecies);
- recycling, devastation, looting of cultural and landscape property (art. 25-duodevices).

In addition, Law no. 146/2006, while not making a further amendment to the body of the reference regulatory text, extended the liability of entities also to cases of commission of so-called transnational crimes.

In a panorama of continuous updating of the catalogue of predicate offences and the introduction of new cases of liability for Entities, it should be noted, for the sake of completeness, that Decree-Law no. 105/2019, containing "urgent provisions on the national cyber security perimeter", converted with amendments into Law no. 133/2019, established the so-called "National Cyber Security Perimeter". "national cyber security perimeter", through which the aim is to ensure a high level of security of networks, information systems and IT services of public administrations, as well as of national, public and private bodies and operators. This legislation provides for a series of information and procedural obligations for certain categories of subjects, which, however, will be better identified by Decree of the President of the Council of Ministers to be adopted within four months of the conversion into law of the aforementioned Decree-Law no. 105/2019, and introduces new criminal cases by integrating art. 24-bis, paragraph 3, of Legislative Decree 231/2001. Therefore, the liability of the Entities is also extended for the violation of the adoption of IT security measures. Further regulatory changes/innovations are listed below in this Model (see the section dedicated to the **Adoption of the Model**).

1.3. Penalties and attempted crimes.

The sanctioning system provided for by the Decree is characterized by the application to the entity of a **pecuniary sanction commensurate with quotas** (Article 10 of the Decree). In calculating the sanction, the criminal court determines the number of shares (not less than one hundred and not more than one thousand), taking into account the seriousness of the

fact (assessable pursuant to Article 133, paragraph 1, of the Criminal Code), the degree of responsibility of the entity 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 judge also determines the unit value of the shares (from a minimum of € 258.00 to a maximum of € 1,549.00), taking into account the economic and financial conditions of the entity to which the sanction is addressed, in order to ensure its effectiveness (Article 11 of the Decree).
The pecuniary sanction (which, due to the above, can reach a maximum of € 1,549,000.00) can be reduced by half and in any case cannot exceed € 103,291.00 if (art. 12 of the Decree):

- the offender committed the act in his or her own interest or in the interest of a third party and the entity did not derive any advantage from it or in any case derived a minimal advantage from it;
- The pecuniary damage caused is particularly minor.

- The penalty shall be reduced from one third to one half if, before the opening of the trial at first instance:

- the entity has fully compensated for the damage and eliminated the harmful or dangerous consequences of the crime or has in any case effectively taken steps in this direction;
- An organisational model has been adopted and made operational to prevent offences of the kind that have occurred.

If, on the other hand, the entity has made a significant profit from the crime and the crime has been committed by persons in a top position or by persons subject to the direction of others and, in this case, the commission of the crime has been determined or facilitated by serious organizational deficiencies, **disqualification sanctions** such as (art. 9, paragraph 2):

- disqualification from carrying out the activity (when the imposition of other disqualification sanctions is inadequate to prevent offences such as the one committed);
- the suspension or revocation of authorisations, licences or concessions functional to the commission of the lawful;
- the prohibition of contracting with the Public Administration - possibly limited to certain types of contracts or certain administrations - except to obtain the performance of a public service;
- exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- the prohibition of advertising goods or services.

Disqualification sanctions have a minimum duration of three months and a maximum of two years; they always have as their object the specific activity to which the entity's offence refers and, on the basis of the principle of legality and exhaustiveness that distinguishes them, they apply in relation to the offences for which they are expressly provided. In addition to the occurrence of the above-mentioned conditions, they apply in the event of repetition of offences, i.e. when the entity - which has already been definitively convicted at least once for an offence dependent on a crime - commits another offence in the five years following the final conviction [Article 13(1)(b) of the Decree].
Disqualification sanctions do not apply when the offender has committed the act in his or her own or third party's best interest and the entity has not benefited from it or has derived a minimal advantage from it or when the financial damage caused is particularly minor (Article 13, paragraph 3). Disqualification sanctions may also be applied, at the request of the Public Prosecutor, as a precautionary measure during the investigation phase (Chapter III, Section IV of the Decree, art. 45) and when there are serious indications to believe the existence of liability on the part of the entity and there are well-founded and specific

elements that make it possible to believe that there is a real danger that offences of the same nature as the one for which proceedings are being taken.
It should be noted that, without prejudice to the application of financial penalties - in any case reduced to the extent and within the terms established by art. 12 of the Decree - disqualification sanctions do not apply when, before the declaration of the opening of the trial at first instance, the following conditions are met (art. 17):

- the entity has compensated for the damage and eliminated the harmful or dangerous consequences of the crime or has in any case effectively worked in this direction;
- the entity has eliminated the organisational deficiencies that led to the offence through the adoption and implementation of organisational models suitable for preventing offences of the kind that occurred;
- The institution made the profit made available for the purpose of confiscation.

The catalogue of sanctions closes with the publication of the sentence of conviction that *can* be ordered, at the expense of the entity, when the conditions for the application of a disqualification sanction are met, and the confiscation of the price or profit of the crime, provided for as *an automatic consequence of the ascertainment of the entity's liability.*
In the event of the commission of the crimes indicated in Chapter I of the Decree in the form of an attempt, the pecuniary sanctions (in terms of amount) and the disqualification sanctions (in terms of duration) are reduced from one third to half, while the imposition of sanctions is excluded in cases where the entity voluntarily prevents the completion of the action or the realization of the event (Article 26 of the Decree).
When, on the other hand, the entity is liable in relation to a plurality of offences with a single act or omission or committed in the performance of the same activity and before a sentence has been pronounced for one of them, even if not final, the pecuniary sanction provided for the most serious offence is applied, increased up to three times (Article 21 of the Decree).

1.4. Criteria for attributing administrative liability pursuant to Legislative Decree no. 231/2001.

The conditions for the entity to incur administrative liability for crimes pursuant to Legislative Decree no. 231/2001 – and that consequently the pecuniary sanctions and possibly also disqualification provided for by the same Decree are imposed on it (art. 5, paragraph 1):

- that a person who holds a top position within the entity or a subordinate has committed or contributed to committing one of the crimes provided for in the special part of the decree (art. 24 et seq.);
- that the offence has been committed in the interest of the entity or even only for its benefit (i.e., when, from the offence committed, an objective advantage derives for the entity itself, regardless of the intention of the material perpetrator of the offence to favour it, whether it is patrimonial – e.g. the realization of a profit – or non-economic – e.g. greater competitiveness in the market);
- that the crime committed by natural persons (persons in top positions or subordinates) constitutes an expression of company policy or derives from a system in which a form of organizational fault may take root. In order for any crime committed by the natural person (top or subordinate person) to be considered extraneous to company policy and in no way attributable to an "organizational fault", the legislator, thereby enhancing the preventive function of the system introduced, has provided for specific forms of exemption from the administrative liability of the entity, if the latter demonstrates, in the case of a crime committed by the top manager (Article 6 of the Decree):
    - to have *adopted* and *effectively implemented*, prior to the commission of the offence, an Organisation and Management Model (hereinafter "the Model") suitable for

preventing offences of the kind that occurred;

- that a Body with autonomous powers of initiative and control has been established within the entity itself with the task of supervising the functioning and compliance with the Model referred to in the previous point;
- that the persons (persons in top positions) have committed the crime by fraudulently circumventing the entity's organizational and management model;
- that there has been no omission or insufficient supervision on the part of the body referred to in point (b).

On the other hand, in the case of the person subject to the direction of others, the entity will not be held liable for the crime committed by the latter, when the judge cannot prove that the commission of the crime was made possible by the failure to comply with the obligations of management or supervision. Failure to comply must, in any case, be considered excluded when, prior to the commission of the offence, the entity has adopted and effectively implemented an organisational, management and control model suitable for preventing offences of the kind that occurred (Article 7 of the Decree).
An essential requirement for the adoption of the Model to result in the entity's exemption from liability is that it is effectively implemented. In this regard, Art. Article 7, paragraph 4 of the Decree states: "*The effective implementation of the model requires: a) periodic* ***verification*** *and possible modification of the same when significant violations of the provisions are discovered or when changes occur in the organization or activity; (b) a* ***disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model****".*
In any case, the entity cannot be held liable if the natural person who committed the offence (whether senior or subject to the direction or supervision of others) acted in his or her own exclusive interest or that of third parties (Article 5, paragraph 2).
If, on the other hand, there is only a "prevalent" interest in the offender, or in the third party, this does not produce exemption from liability for the entity, but the reduction of the penalty pursuant to Article 12, as well as the inapplicability of the disqualification sanction pursuant to Article 13, last paragraph of the Decree. The administrative liability of the entity also exists when the offender has not been identified or is not chargeable, or the offence has been extinguished for a reason other than amnesty (art. 8). In addition, for entities with their principal place of business in Italy, administrative liability also exists for crimes committed abroad by persons functionally linked to the entity, provided that the State of the place where the act was committed does not proceed for the latter (Article 4).

1.5. Persons at the top and subject to the direction or supervision of others.

According to Article 5 of the Decree, the entity is liable for crimes committed in its interest or to its advantage:

- by persons who hold functions of representation, administration or management of the entity, or of one of its organizational units with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control of the entity itself;
- by persons subject to the direction or supervision of one of the persons in a top position indicated above (so-called persons subject to the direction or supervision of others).

The first category includes those who perform top functions concerning the representation, administration and management of the entity (in the latter case also in relation to an organizational unit with financial and functional autonomy).
Representation constitutes the legitimacy to issue or receive contractual declarations in the name and interest of the entity and can be divided into legal representation, when it concerns the exercise of the entity's authority, and managerial representation when it concerns the

exercise of the activity carried out by the entity.
The **administration** concerns the decision-making of business strategies, the disposition of assets and the organization of negotiation acts, and the exercise of the management of the company with powers of initiative, organization, decision-making and representation in management. The Italian Civil Code, art. Article 2380-bis provides that the management of the company is the responsibility of "*exclusively the directors, who carry out operations for the implementation of the corporate purpose*".
Management is the implementation of strategic directives and the organization of the activity.

The persons who carry out these functions are in a so-called "top" position within the entity and, given the relationship of organic identification with it, represent its will in all its external relations: in this case, the top subjects are the Chairman, the Board of Directors and the Heads of functions with strategic responsibilities.
The Ministerial Report to Legislative Decree no. 231/2001 in paragraph 3.2, letter a) excludes the Statutory Auditors from the list of persons who, formally invested with a top position, may commit offences that hinge on the administrative liability of the entity. This is due to the meaning that the legislator has attributed to the term "control" referred to in the above-mentioned Article 5, paragraph 1, letter a) of the Decree, understood as it is intimately connected to the management function, as an index of dominion over the entity, and not already exercised over the management activity.
However, taking into account the particular role that the law attributes to the Board of Statutory Auditors, in relation to the task of legality control and supervision pursuant to art. 2403 of the Italian Civil Code and the provisions of art. 2407 of the same Italian Civil Code, where it identifies joint and several liability with the directors for the facts and omissions of the latter, and also considering the power to convene the shareholders' meeting pursuant to art. 2406 of the Italian Civil Code, it is believed that this Model should also be addressed to the Statutory Auditors for whom it is in any case possible to participate with the top management in the commission of predicate crimes or facilitate their commission.
The second category of persons, contemplated by art. 5, paragraph 1, letter b) of the Decree, is instead represented by those subject to the direction or supervision of the persons placed in a "top" position. This category of persons – which includes all employees and collaborators of the company who are not top management in the sense specified above – also includes the persons who occupy in the company's organizational chart the managerial levels directed to the management and performance of executive activities, as they are subordinate in a hierarchical way to the top management who exercise, over them, control and supervision activities.

1.6. The diversified regime of exemption from administrative liability.

The category to which the infringer belongs is of decisive importance with regard to the regime of exclusion of liability of the Entity.
If the offence was committed by the persons referred to in Article 5, paragraph 1, letter a) of the Decree (so-called top managers), the entity, burdened by a presumption of liability against it, is not liable if it proves that (Article 6):

- the management body adopted and effectively implemented, before the commission of the unlawful act, the organisational and management model;
- the task of supervising the functioning and observance of the model and of ensuring that it is updated has been entrusted to a body with autonomous powers of initiative and control;
- the persons committed the offence by fraudulently circumventing the model;
- there was no omission or insufficient supervision on the part of the control body.

In the case of crimes committed by persons subject to the **direction or supervision of others** (Article 7 of the Decree), it will be the public prosecutor who will have to demonstrate, in order to declare the liability of the entity, that the commission of the crime - committed in the interest or to the advantage of the entity - was made possible by the failure to comply with the obligations of management or supervision, it being understood that the liability of the entity is in any case excluded if the same, before the commission of the offence by the subordinate, has adopted and effectively implemented an organisational, management and control model suitable for preventing offences of the kind that occurred.
The entity will therefore be liable not so much for the commission of the crime itself by so-called subordinate subjects, but for indirectly consenting to its commission, made possible by a series of deficiencies or negligence "upstream" (failure to adopt suitable measures to avert or limit the risk of committing the crimes on which the administrative liability of the entity depends).
The company's exemption from fault therefore depends on the adoption and effective implementation of a Crime Prevention Model and the establishment of a Supervisory Body on the Model, whether the predicate offence was committed by a senior or subordinate person.
If, however, the offence is committed by a top manager, the adoption and effective implementation of the Model is not sufficient to exempt the entity from administrative liability; it is required to prove that it is not the most significant crime, since it must be demonstrated that the crime was committed by fraudulently evading the Model, i.e., by overcoming all its barriers by deception.

2. THE ORGANIZATION AND MANAGEMENT MODEL OF BREMA GROUP S.P.A.

As provided for by the Decree, the Organisation and Management Models suitable for preventing offences on which the administrative liability of entities depends may be adopted on the basis of codes of conduct drawn up by the representative trade associations.
For the preparation of its Organisation and Management Model, the Company has expressly taken into account - in addition to the provisions of Legislative Decree no. 231/2001, the accompanying ministerial report and Ministerial Decree no. 201 of 26 June 2003 containing the regulations implementing Legislative Decree no. 231/2001 - and the Confindustria Guidelines (updated to the June 2021 version).
This system - which has been implemented for years and continuously updated - aims to ensure compliance with corporate strategies and the achievement of the effectiveness and efficiency of business processes, the safeguarding of the value of assets and protection against losses, the reliability and integrity of accounting and management information, the compliance of transactions with the law, with supervisory regulations and with policies, internal plans, regulations and procedures.
To this end, the Company ensures the necessary segregation between operational and control functions and aims to avoid situations of conflict of interest in the assignment of responsibilities; is able to adequately identify, measure and monitor all the risks assumed or likely to be assumed in the various operating segments; establishes control activities at every operational level; ensures reliable and suitable information systems to promptly report the various anomalies found in the control activity; It allows the recording of each management fact with an adequate degree of detail. The Company carries out monitoring aimed at preventing risks related to employee infidelity and those deriving from the possible involvement of the entity in illegal transactions, monitoring of activities that may lead to risks of losses resulting from errors or inadequacies of internal processes, human resources and systems or deriving from external events. The Company has an internal system that allows you to:

- organize the system of powers and delegations;
- regulate and document the activities that take place within the Company;
- manage relations between the various players in the internal control system;
- regulate the flow of information between the various company functions.

The Company, in order to implement organisational, management and control models suitable for preventing the commission of the criminal offences considered by Legislative Decree no. 231 of 8 June 2001 (containing "Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to art. 11 of Law no. 300 of 29 September 2000") has adopted organisational procedures to regulate activities that may constitute areas of risk of committing criminal offences by its directors, managers, employees or those who perform, even if only de facto, on behalf of the Company functions in the context of the activities covered by this procedure. The commission of criminal offences pursuant to the aforementioned legislative decree may cause significant damage to the Company and its shareholders both in terms of declaring the Company's liability and subjecting it to administrative, pecuniary or restrictive and civil sanctions. All recipients of the procedures adopted by the Company are required, with reference to the subject matter of the same, to comply at all times with their provisions as well as with the applicable laws and regulations and the Code of Business Conduct. Procedures have been adopted so that: (a) the powers and responsibilities involved in relation to their subject matter are defined and known within the Company; (b) the authorizing and signing powers are consistent with the organizational responsibilities assigned; (c) any operation, transaction, action within the scope of the procedure considered is verifiable, documented, consistent and congruous; (d) a principle of segregation of functions is pursued whereby the authorisation to carry out a transaction is the responsibility of a person other than the person who accounts, operationally executes or controls the transaction; (e) the controls, including supervisory controls, carried out in the context of the procedure are documented.

No person operating within the Company shall be able to justify his or her conduct on the grounds of ignorance of the procedure. Any non-compliant conduct cannot be considered attributable to the Company or carried out on its behalf or interest and will in any case be qualified as a serious breach of the employment relationship or other contractual relationship with the Company and will be subject to the applicable disciplinary sanctions, including, where the conditions are met, dismissal for just cause. In the event of doubts as to the conduct to be taken in relation to aspects relating to the subject matter of the procedures, the addressees of the procedures are required to contact their hierarchical superior or ask the head of the human resources function for appropriate guidance.
The recipients of the organizational procedures adopted by the Companies are required to report any conduct within the company that does not comply with these procedures or with the Code of Business Conduct or with the laws or regulations in force to the hierarchical superior and to the head of the human resources function, who will treat such report confidentially without any consequences within the Company for those who will make the report.
References:

- Code of Conduct in force;
- Internal organizational procedures in force;
- Arts. 2104-2106 of the Italian Civil Code and Article 2119 of the Italian Civil Code;
- Applicable CCNL;
- CCNL Executives in force (if and as applicable).

The definition of a system of sanctions (commensurate with the violation and with deterrent

effect) applicable in the event of violation of the rules referred to in the Model, makes the supervisory action of the SB efficient and practicable and aims to ensure the effectiveness of the Model itself. The preparation of this disciplinary system constitutes, pursuant to art. 6 paragraph 1 letter e) of Legislative Decree 231/01, an essential requirement of the Model itself for the purposes of recognising the liability of the entity. The application of the disciplinary system and the related sanctions is independent of the conduct and outcome of any criminal proceedings initiated by the judicial authority in the event that the conduct to be censured also serves to constitute a relevant offence within the meaning of the Decree.

Violation of this Model by Managers constitutes a sanctionable offense.
In addition, in implementation of the principles expressed in the Model, it is an offence punishable against the manager for failing to supervise the correct application of the same by employees. All the conduct of the managers described above constitutes unlawful acts that justify the employer's withdrawal from the contractual obligation. The Company will, therefore, ascertain the infringements and adopt the appropriate measures in accordance with the provisions of the current CCNL for managers of industrial companies applied.
Violation of this Model by Managers, Employees and Workers constitutes a disciplinary offence. The disciplinary measures that can be imposed on these workers – in compliance with the procedures provided for in Article 7 of Law no. 300 of 30 May 1970 (Workers' Statute) and any applicable special regulations – are those provided for by the sanctioning apparatus of the CCNL of which all provisions remain unaffected. In particular, the sector's CCNL provides, depending on the seriousness of the shortcomings, for the following measures: 1) verbal reprimand; (2) a written warning; (3) fine; 4) suspension; 5) Dismissal.
For disciplinary measures more serious than a verbal warning, a written complaint must be made to the worker with a specific indication of the facts constituting the infringement. The measure cannot be issued until the days provided for by the sector's CCNL have elapsed from such dispute, during which the worker can present his justifications. In the event that the alleged infringement is of such gravity as to result in dismissal, the worker may be suspended as a precautionary measure from work until the time of the imposition of the measure, without prejudice to the right to remuneration for the period in question. The imposition of the measure must be justified and communicated in writing. The employee may also present his or her justifications verbally. Disciplinary measures other than dismissal may be challenged by the worker in trade unions, pursuant to and in the manner provided for by the contractual rules.
With regard to the detection of infringements, disciplinary proceedings and the imposition of sanctions, the powers already conferred, within the limits of their respective competence, on company management remain unchanged. The extract of the CCNL relating to the sanctioning system indicated above is posted on the company notice board.

2.1. The adoption of the Model.

The company, despite having a coherent and functional system of rules (in addition to the purposes for which it was created, also, in the abstract, to prevent crimes that, on the basis of a *risk assessment*, emerged to be committed in its interest or to its advantage), has deemed it in accordance with its corporate policies to proceed with the adoption of an Organization and Management Model that meets the purposes and the most incisive prescriptions expressly required by Legislative Decree no. 231/2001.
This initiative was taken, among other things, in the belief that its adoption also represents a valid awareness-raising tool for all top management, employees and collaborators of the Company and for all other subjects, in different ways with the same co-interested / involved (e.g. customers, partners, suppliers, *partners*), so that they follow, in the performance of their activities, behaviours inspired by transparency, managerial correctness, trust and

cooperation.
At the same time as the approval of the Model by the company's Board of Directors, the Supervisory Body (hereinafter also the "SB", designated by resolution of the Board of Directors of 21 December 2022) is also operational, in implementation of the provisions of the Decree, having the requirements of professionalism, independence and continuity of action and with the task of supervising the functioning, effectiveness and compliance with this document, as well as to take care of its updating, as better described in the following paragraphs.
The Model in question has been drawn up in accordance with, among other things, the provisions of the following provisions:

- Law no. 190 of 6 November 2012 "Provisions for the prevention and repression of corruption and illegality in the public administration";
- Law no. 68 of 22 May 2015 "Provisions on crimes against the environment";
- Law no. 69 of 27 May 2015, article 12 "Amendments to the provisions on the administrative liability of entities in relation to corporate crimes";
- Law no. 167 of 20 November 2017 article 5 "Provisions for the fulfilment of obligations arising from Italy's membership of the European Union - European Law 2017"
- Law no. 179 of 30 November 2017 "Provisions for the protection of those who report crimes or irregularities of which they have become aware in the context of a public or private employment relationship";
- Legislative Decree no. 21 of 1 March 2018 "Provisions for the implementation of the principle of delegation of the reserve of the code in criminal matters pursuant to Article 1, paragraph 85, letter q) of Law no. 103 of 23 June 2017";
- Legislative Decree no. 36 of 10 April 2018 "Provision amending the rules governing the procedure regime for certain offences in implementation of the delegation referred to in Article 1, paragraphs 16, letters a) and b) and 17, of Law no. 103 of 23 June 2017";
- Law no. 3 of 9 January 2019 "Measures to combat crimes against the public administration, as well as on the statute of limitations and transparency of political parties and movements";
- Law no. 39 of 3 May 2019 "Ratification and implementation of the Council of Europe Convention on the manipulation of sports competitions, done in Magglingen on 18 September 2014";
- Law no. 43 of 21 May 2019 "Amendment to Article 416-ter of the Criminal Code on political-mafia exchange votes";
- Decree-Law no. 105 of 21 September 2019 "Urgent provisions on the perimeter of national cyber security and the regulation of special powers in sectors of strategic importance";
- Law no. 157 of 19 December 2019 "Urgent provisions on tax matters and for non-deferrable needs";
- Law no. 75 of 14 July 2020 "Implementation of Directive (EU) 2017/1371, relating to the fight against fraud affecting the financial interests of the Union through criminal law";
- Legislative Decree 184/2021 on offences concerning non-cash payment instruments;
- Legislative Decree 195/2021 on the fight against money laundering;
- Law 283/2021 on computer crimes;
- Law 22/2022 on crimes against cultural heritage;
- Legislative Decree no. 19 of 2 March 2023 on cross-border transformations, mergers and demergers;
- Legislative Decree no. 24 of 10 March 2023, implementing Directive (EU) 2019/1937 on the protection of persons who report breaches of EU law, commonly known as the 'Whistleblowing Directive';

- Law No. 93 of 14 July 2023 on copyright;
- Law no. 137 of 9 October 2023 containing urgent provisions on criminal proceedings, civil proceedings, the fight against forest fires, drug addiction recovery, health and culture, as well as on the personnel of the judiciary and the public administration.

In the run-up to the drafting of the Model, specific sensitive areas were identified, i.e. the areas in which the company's activities may present risks of committing offences. The criticality level of sensitive areas was determined on the basis of the economic extent of the damage caused by an unlawful event (as a result of its economic impact) and the probability of its occurrence. The identification of risks and related areas was carried out through an assessment carried out through interviews with the heads of the various Functions of the Company and through the development of a document that condensed the mapping of all activities and risk areas. For each risk area, the individual incriminating cases deemed relevant for the application of the provisions of this Organisation and Management Model were then isolated and considered.

The Model is an act of emanation of the company's top management, in its collegiality. The updating of the Model will also be carried out by the Board of Directors, in agreement with and on the proposal of the Supervisory Body.

The evaluation of updating the document must be carried out in any case, where, by way of example:

- there has been a change in the corporate structure or in the performance of business activities;
- there has been an innovation or regulatory change of significant impact;
- there are deficiencies and/or need to supplement the provisions of the Model;
- new areas of risk or changes in addition to those already subject to previous assessment are revealed.

2.2. The purpose of the Model.

The Model prepared by the Company aims to affirm and disseminate a corporate culture based on: 1) legality , since no unlawful conduct, even if carried out in the interest or advantage of the Company, can be considered in line with the policy adopted; 2) control that must govern all decision-making and operational phases of the company's activities, in full awareness of the risks deriving from the possible commission of Crimes.
The achievement of the aforementioned objectives takes the form of a coherent system of principles, provisions, organisational, management and control procedures that give rise to the Model, which the Company, in the light of the above considerations, has prepared and adopted. In particular, through the identification of the so-called " **"risk areas" referred to** above , i.e. the corporate activities or functions in the context of which the offences *pursuant* to Legislative Decree no. 231/2001 may be committed, the company is able to measure the safeguards to be adopted with the aim of ensuring that the risks of committing the offences predicate for the administrative liability of the entity are reduced to an "acceptable level", bearing in mind that, in the best and most recognized business practice, within a business entity, the risk is universally considered acceptable as long as the estimated cost of the controls necessary to prevent it completely is lower than the value of the resource to be protected.
In this specific case, the threshold of acceptability adopted for the purpose of drafting the Model is represented by a prevention system that cannot be circumvented except fraudulently. This choice, in accordance with the various guidelines drawn up and codified

by the Trade Associations, appears to be in line with the envisaged exemption from the liability of the entity in the event of fraudulent circumvention of the Model (see Article 6, paragraph 1, letter c, of the Decree).
The Model thus integrates and completes an effective general system of preventive control, the essential components of which are (or derive from):
1) a formalised organisational system with specific reference to the attribution of functions**,** responsibilities and lines of hierarchical dependence, in which the top management figures and their decision-making autonomy are identified;
2) a separation and opposition of functions, manual and computerized control points, matching of signatures and supervision of the activities of the entity;
3) a system of formalised authorisation and signature powers consistent with the internal functions and responsibilities of the entity held by the top management;
4) a state of verifiability, traceability and adequacy of each operation of the entity involving economic and legal relations with third parties;
5) the introduction of an adequate sanctioning system for violations of the rules and procedures set out in the Model;
6) a special Supervisory Body whose main requirements are: autonomy and independence, professionalism, continuity of action;
7) an obligation on the part of the internal functions of the entity, and in particular those identified as most "at risk", to provide information to the Supervisory Body, both on a structured basis (periodic reporting in implementation of the Model itself), and to report anomalies or atypicalities found in the available information (in the latter case the obligation is extended to all employees without following hierarchical lines);
(8) a definition of an information and communication system for staff and their training;
9) a presence of security mechanisms capable of ensuring adequate protection/physical-logical access to company data and assets;
10) a Code of Business Conduct.

2.3. The structure of the Model.

The document is divided into two parts:

- a first part of a general nature, which sets out the essential regulatory features of the Decree, the fundamental components of the Organisation and Management Model - including the Supervisory Body and its regulations -, the sanctioning system for non-compliance with the provisions of the Model itself, as well as the *corporate governance structure*;
- a special section in which the specific aspects of the model are described and analysed, in addition to the *corporate governance* structure .

These are:

- the cases of predicate offence, to which the Decree applies, deemed relevant for the Company;
- the risk areas concerned and the principles of control and conduct constituting the Code of Conduct to which all those who operate in the company must comply and are separately referred to and described for each of the sensitive activities (these are precise rules of conduct - obligations/prohibitions - that the recipients of the Model must comply with in their relations with the company itself, in each of the sensitive areas/activities potentially affected by the commission of such offences and expressly identified);
- the mapping of risks carried out by categories of crime and by individual types of predicate crime considered potentially configurable in relation to sensitive activities, taking into account the specific organization.

With regard specifically to the mapped risk areas, the following crime families were considered relevant:

- Offences against the Public Administration (Articles 24 and 25 of the Decree);
- Computer crimes and unlawful processing of data (art. 24 bis);
- Organised crime offences (Article 24b);
- Offences against industry and commerce (art. 25 bis.1);
- Offences relating to health and safety at work (art. 25 septies);
- Corporate offences (Article 25 ter of the Decree);
- Offences of inducement not to make statements or to make false statements to the judicial authority (Article 25i);
- Receiving stolen goods, money laundering, and use of money, goods, illicitly derived utilities and self-laundering (art. 25 octies);
- Tax crime (Art. 25quinquesdecies);
- Employment of illegally staying third-country nationals (Article 25k);
- Violations of the Copyright Protection Act (Art. 25 novies);
- Forgery of coins, credit cards, revenue stamps and instruments or signs of identification (art. 25 bis);
- Environmental crimes (art. 25j);
- Offences against the individual personality (art. 25 quinquies);
- Offences of racism and xenophobia (Art. 25l).

The following families of offences were not considered relevant, or were deemed to be of little relevance:

- Practices of mutilation of female genital organs (art. 25 quarter.1 of the Decree);
- Offences relating to non-cash payment instruments and fraudulent transfer of values (Article 25g.1) [amended by Law no. 137/2023];
- Crimes with the aim of terrorism or subversion of the democratic order (art. 25 quarter);
- Smuggling offences (art. 25 sexiesdecies);
- Offences against cultural heritage (art. 25 septiesdecies);
- Laundering of cultural property and devastation/looting of cultural and landscape property (art. 25duodevicies);
- Offences of Market Manipulation (Article 25 sexies);
- Transnational crimes (L.146/2006);
- Offences of fraud in sports competitions, abusive exercise of gambling and betting carried out through prohibited machines (Article 25m).

Although it is only referred to therein, it is also, to all intents and purposes, an integral part of this Model, the **Code of Conduct** adopted to safeguard the reputation and image of the entity.

2.4. Amendments, additions and periodic checks of the Model.

Article 7, paragraph 4 of the Decree establishes that, *for an effective implementation of the adopted Model* , the entity must periodically verify the adequacy of the same, as well as modify it in the event that significant violations of the provisions are discovered, or when changes occur relating to the organization or activity of the entity, in such a way as to keep it updated to the new structural situation. In particular, this Model is subject to the following periodic checks:

- verification of the consistency between the concrete behaviour of the recipients of the Model and the Model itself, i.e. that no actions have been carried out that are not in line with the Model and, in particular, that the powers of delegation and the limits of signature have been respected;

- verification of existing procedures: the effective functioning of this Model is periodically verified in accordance with the procedures established by the Supervisory Body.

Following the above-mentioned checks, the Supervisory Body draws up a report to be submitted to the attention of the company's Board of Directors, so as to highlight possible deficiencies and suggest any actions to be taken.
Since this Model is an act issued by the Board of Directors (in accordance with the provisions of Article 6, paragraph 1, letter a, of the Decree), any amendments and additions that, after its adoption, may be necessary to maintain its effectiveness over time, are subject to the competence of the Company's Board of Directors, on the proposal of the Supervisory Body. Specific roles and responsibilities - including with regard to the Supervisory Body - in the monitoring and management of the Model will also be assigned to the following structures:

➢ **Compliance Area.**

The Compliance Area is responsible for ensuring, over time, the presence of rules, procedures and operating practices that effectively prevent violations or infringements of current regulations.
With specific reference to the risks of administrative liability introduced by the Decree, the Compliance function supports the Supervisory Body in carrying out its control activities through:

- monitoring over time the effectiveness of the Model, with reference to the rules and principles of conduct for the prevention of risk areas considered sensitive;
- the examination of the information regarding the critical issues found during its verification activities.

The Compliance function is entrusted to the Head of Human Resources, by virtue of her simultaneous designation as an internal member of the Supervisory Body called upon to supervise the correct compliance with the provisions referred to in the Organizational Model. The Compliance function is also responsible for mitigating the risk of non-compliance through the prior verification of business processes and internal regulations.

With reference to the Decree, the Compliance area:

- plans for training plans and awareness-raising measures aimed at all employees on the importance of behaving in accordance with company rules, on understanding the contents of the Model and the Code of Conduct, as well as specific courses for personnel working in sensitive areas with the aim of clarifying in detail critical issues, warning signs of anomalies or irregularities, the corrective actions to be implemented for anomalous or risky transactions;
- oversees the process of detecting and managing violations of the Model, as well as the consequent sanctioning process and, in turn, provides all the information that emerges in relation to the relevant facts and/or conduct, for the purposes of compliance with the provisions of the Decree, to the Supervisory Body, which analyzes them in order to prevent future violations as well as to monitor the adequacy of the Model.

The Compliance function can also be outsourced by virtue of a specific contractual agreement.

➢ **Internal organizational units.**

The internal organizational units are responsible for the execution, proper functioning and effective application of the processes over time. For the specific purposes of the Decree, the

Organizational Units are responsible for:

- review - in the light of the principles of conduct and control prescribed for the regulation of sensitive activities - the practices and processes within its competence, in order to make them adequate to prevent unlawful conduct;
- Report any situation of irregularities or anomalous behaviour to the Supervisory Body.

2.5. The diffusion of the Model.

In order to effectively implement the Model, the company ensures correct disclosure of the contents and principles of the same at all levels of the company within its organization, making all those who, in particular, operate in the name and on behalf of the entity in the "risk areas" aware that, in the event of violation of the provisions of the Model, An offence punishable by penalties is committed.
This dissemination and awareness-raising work is also aimed at subjects who, although not formally employed, work – even occasionally – to achieve the company's objectives by virtue of contractual relationships with it.
For the above, the recipients of the Model are:

- persons who hold functions of representation, administration or management of the company or of one of its organizational units with financial and functional autonomy;
- those who exercise, even de facto, the management and control of the Company;
- persons subject to the direction or supervision of one of the persons (so-called top management) referred to in letters a) and b);
- all those who, more generally, work for the achievement of the purpose and objectives of the institution, even if they do not have an organic relationship with it.

The communication (by means of internal circulars) and training (through *e-learning* and/or classroom training), differentiated and graduated in relation to the tasks actually performed, is based on the principles of completeness, clarity, accuracy, accessibility, continuity and - with particular regard to new hires - timeliness.
These activities are supervised by the Supervisory Body**,** which is assigned, among other things, the tasks of promoting initiatives for the dissemination of knowledge and understanding of the Model, as well as for the training of staff and their awareness of compliance with the principles contained in the Model and the impact that the legislation referred to therein has on the company's activities and on the rules of conduct. This supervision activity is also carried out in relation to the quality of the content of the courses and their attendance, both in terms of delivery and in terms of participation.

3. THE CORPORATE GOVERNANCE OF BREMA GROUP S.P.A.

3.1. The Corporate Governance Model.

The corporate structure of Brema Group S.p.A. entrusts:

- the Chairman of the Board of Directors is the legal representative of the company and the function of supervising corporate governance, as well as the role of guarantor of the dialectics of internal powers;
- the Board of Directors and the individual Directors for strategic supervision;
- the Board of Statutory Auditors is responsible for compliance with the law and the Articles of Association, as well as compliance with the principles of proper administration and, in particular, the assessment of the adequacy of the internal organisational, administrative and accounting structure adopted by the company and its actual functioning;
- the statutory auditor is responsible for accounting control and *auditing*.

3.2. The corporate governance structure and the social organization chart.

The Articles of Association identify the following *governance functions*:

- The owner: the Sole Shareholder Hoshizaki Europe Holdings B.V.;
- The Board of Directors;
- The Chairman of the Board of Directors;
- the Directors;
- The Board of Statutory Auditors;
- The Independent Auditors.

The corporate organization chart (updated on May 2, 2024) identifies the following corporate functions:

- Managing Director
- Sales & Marketing Director;
- Procurement Director;
- Manufacturing Director;
- Technical Director;
- F&A and Control Director;
- HR & GA manager;
- HSE – Health Safety & Environment Specialist;
- EDP&IT manager;
- Internal control manager.

Each of the aforementioned corporate functions reports directly to the Chairman of the Board of Directors.

For the purposes of drafting this organisation and management model, interviews were also conducted with the heads of the various company functions to map the risk areas deemed relevant.

In particular, on 29 May and 13 June 2023, interviews were conducted with the persons responsible for the various company functions:

- Sales & Marketing Director;
- Department Human Resources & GA;
- F&A and Control Director;
- HSE - Health Safety & Environment Specialist;
- EDP&IT Section.

The interviews carried out made it possible to define the risk areas to which the company is exposed and at the same time to define the related risk management protocols, as specifically listed in the special part of this organizational model.

3.3. Brema Group S.p.A.: history of the company, corporate bodies and functions.

In March 2018, Brema Group S.p.A. carried out a merger by incorporation of the companies Brema Ice Makers, Nuove Tecnologie del Freddo (NTF) and Brice, with the consequent marketing of the related brands by Brema Group.
In the various preparatory phases of the grouping, total business continuity has always been

guaranteed.
Well, Brema Group S.p.A. creates the conditions for a definitive homogeneity of the products, in order to provide the market with a high quality standard of the products marketed.

Below is a brief overview of the history of the former companies that have now merged into Brema Group S.p.A.

Bremen Ice Makers was born in 1985 from an ambitious idea of its founder.
Over the years of operation, Bremen Ice Makers' professionalism had grown considerably to give the company a wide-ranging expertise in the field of Ice Makers, coming to design a wide range of 94 models and 10 different types of ice.
The quality of the products, the customer satisfaction, the diversification and the constant innovation of the structures - authentic strengths of the company - had allowed it to land in 85 different countries around the world, allowing it to become a leader in this product sector.
The company's and operational headquarters were located in Villa Cortese (Milan) in an efficient factory covering an area of over 30,000 m².
In addition, in 2014, the process of building steel bodies was incorporated into the company's activities and the industrial processes were largely atomized with the help of high technology.

Nuove Tecnologie del Freddo s.r.l. was founded in 1989 and immediately specialized in the construction of ice makers.
Originally located in the municipality of Rho, it had then moved its headquarters to Villa Cortese, within a large industrial complex of 8000 square meters.
The strengths were represented by the quality of the products, the characteristics of innovation and the attention to commercial relationships.

Brice s.r.l. was founded in 2010, following the acquisition of another corporate structure (formerly Eurofrigo) by the same owner of Brema Ice Makers.

In 2018, as mentioned, Bremen Group grouped together, incorporating, three different corporate entities.
In July 2022, Bremen Group became part of the HOSHIZAKI Group.

The company Brema Group S.p.A. has as its corporate purpose the production, trade and representation, both in Italy and abroad, of automatic ice makers, refrigeration, air conditioning, ventilation and heating equipment and furniture products in general. The company may also carry out all commercial, industrial and financial, movable and immovable transactions, deemed by the administration necessary or useful for the achievement of the corporate purpose.

Brema Group S.p.A. has its registered office in Villa Cortese (Milan), Via dell'Industria, 10, is registered in the Business Register at the headquarters of the Chamber of Commerce of Milan Monza Brianza Lodi, REA Number: MI-1281855, Tax Code/VAT No. 09290260158.

- **Ownership: Sole shareholder Hoshizaki Europe Holdings B.V.**

As of July 2022, Bremen Group S.p.A. is wholly owned by the sole shareholder Hoshizaki Europe Holdings B.V., a company incorporated under Dutch law, with registered office at Amsterdam, Burgemeester Stramanweg, 101.

The sole shareholder resolves in ordinary and extraordinary session on matters reserved to it by law and in accordance with the procedures provided for in the articles of the Articles of Association.

- **The Board of Directors.**

It is vested with the broadest powers for the ordinary and extraordinary management of the Company.
The Chairman of the Board of Directors is responsible for the legal representation of the company before third parties and in court.
The Board is composed of 5 (five) directors, including the Chairman of the Board of Directors.
The members of the Board of Directors, pursuant to art. 2383 of the Italian Civil Code, the term of office is three years and expires on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their office.

- **The Chairman of the Board of Directors.**

The Chairman promotes the effective functioning of the corporate governance system and the proper functioning of the Board of Directors.
The Chairman shall ensure that all directors are guaranteed the prerogatives of the so-called "act in an informed manner".
He convenes the Board of Directors with an agenda and coordinates its work.
The Chairman of the Board of Directors is granted the following powers, within the limits of the law and with the power of sub-delegation (a list of powers that is merely explanatory, but not exhaustive):

i. Sign correspondence, deeds and corporate communications;
ii. Carry out all the formalities necessary to obtain the authorizations and licenses required for the performance of the company's activities;
iii. To make any notification, filing or other communication to the Chambers of Commerce, the Register of Companies and the Register of Economic and Administrative News (REA), regarding resolutions or acts relating to the company:
iv. Represent the company before the competent authorities in the field of trademarks, patents and other intellectual property rights;
v. Collect letters, envelopes and parcels;
vi. Represent the company before any judicial, ordinary, administrative or tax authority, at any level of judgment, both as a plaintiff and as a defendant; consequently, with reference to all the above-mentioned proceedings, appear at the hearing, elect domicile, appoint arbitrators, appoint and revoke lawyers, attorneys, delegates, technical consultants and experts;
vii. Initiate and/or resolve any dispute, of any nature whatsoever by means of agreements and/or transactions, provided that such proceedings and/or transactions do not exceed the amount of 5,000 (five thousand/00) Euros for each proceeding or the waiver by the company of rights whose amount exceeds 50,000 (fifty thousand/00) Euros for each proceeding;
viii. Deal with the enforcement of final judgments by any means provided for by law;
ix. Filing complaints and bringing civil actions in criminal proceedings; submit petitions and complaints of any kind;
x. Represent the company in relations with public safety authorities, fire brigades, local health authorities and any other body responsible for health and safety

control;

xi. Attempt conciliation with trade unions;

xii. Issue payroll extracts and personnel certificates for public and private administrations and entities;

xiii. Carry out all actions and formalities relating to any tax, fee, direct and indirect, contribution and charge;

xiv. Participate in business-related tenders and enter into/amend or terminate agreements and/or documents related to such tenders;

xv. Sell and perform any other act of transfer of raw materials;

xvi. Confer and revoke appointments and mandates, even on an ongoing basis, to professionals, consultants and agents;

xvii. Hiring, dismissing or removing staff, regardless of category and level of employment, with the exception of managers, as well as taking the relevant measures, including disciplinary measures;

xviii. Carry out any type of operation on any of the company's bank accounts.

The employer is granted all the powers necessary for the fulfilment of the employer's obligations, with full decision-making and financial management autonomy and without expenditure limits, pursuant to and by effect of the T.U. 81/2008.

- **Advisors**

The directors were appointed by resolution of 17 May 2023 (registered on 26 May 2023), in the number of 4 (four).
The members of the Board of Directors, pursuant to art. 2383 of the Italian Civil Code, the term of office is three years and expires on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their office.

In particular, a Director is granted the powers listed below, in any case with the exception of the powers that the applicable law and the company's bylaws reserve to the shareholders' meeting or the Board of Directors:

i. The signing of customers' invoices;

ii. The signing of registered letters of which Bremen is the recipient;

iii. The signing of customs documentation, including, but not limited to:
- certificates of origin (smart cards);
- declarations to the bank for CAD / LC / D/A trading;
- declarations of free export;
- declaration for a.tr.;
- export mandates;
- declarations to the bank for advance and non-prepaid payments, subject to embargo;
- long-term declarations of preferential and non-preferential origin;
- import mandates (including the declaration of free import);
- any additional declaration required by customs/bank;

iv. The signing and approval of internal requests for purchase orders as a so-called '*second approver*', after the approval of the control manager;

v. The signing of suppliers' purchase orders up to a limit of € 50,000.00, excluding purchases of raw materials, products and services related to production;

vi. Use cash for cash payments for a maximum amount of €500.00.

➢ **The Board of Statutory Auditors.**

Pursuant to art. 2403 of the Italian Civil Code, the Board of Statutory Auditors supervises compliance with the law and the Articles of Association, compliance with the principles of proper administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its actual functioning. The Board of Statutory Auditors meets periodically (at least once every 90 days) and, at the end of the meetings, minutes containing the auditors' resolutions must be drawn up.

The Board of Statutory Auditors has the following main powers:
- carry out acts of inspection and control;
- request news and information from the company's directors;
- convene the shareholders' meeting in the event of non-cooperation of the directors or for serious acts committed by them in the exercise of their functions, also being able to report to the court the serious non-compliance of the auditors *pursuant to* Article 2409 of the Italian Civil Code.

The Board of Statutory Auditors of Brema Group S.p.A. is composed of three members and two alternates.
The Statutory Auditors, pursuant to art. 2400 of the Italian Civil Code, remain in office for three financial years and expire on the date of the shareholders' meeting called to approve the financial statements for the third year of office.

➢ **The Independent Auditors.**

The person in charge of the statutory audit is responsible for verifying, during the financial year, the regular keeping of the company's accounts and the correct recording of management events in the accounting records.

The results of the periodic audit constitute the information acquired by the auditor as a result of the specific procedures and are aimed at verifying whether the following can be found:
- deficiencies in the procedures adopted by the company for the regular keeping of social accounts;
- non-compliance in the fulfilment of the obligations required by the relevant legislation;
- errors in accounting records where found at the end of the specific procedures carried out.

An auditor who, during the first audit assignment, examines the documentation or working papers prepared by the previous auditor and detects the presence of reprehensible facts, must inform the Board of Statutory Auditors without delay.

As of August 2022, Brema Group S.p.A. has appointed the independent auditors Deloitte & Touche S.p.A., with registered office in Milan (MI), Via Tortona, 25.

3.4. The power of representation of the Company and the company's signature.

The Chairman of the Board of Directors is responsible for representing the Company in relation to third parties and in court, within the limits of the powers provided for by law and by the Articles of Association.

3.5. The Internal Control System (ICS).

The internal control system consists of the set of rules, functions, structures, resources, processes and procedures that aim to ensure, in compliance with sound and prudent

management, the achievement of the following purposes:

- effectiveness and efficiency in business processes (administrative, production, distribution, etc.);
- safeguarding the value of assets and protecting against losses;
- reliability and integrity of company information and IT procedures;
- compliance of operations with the law and supervisory regulations as well as with internal policies, plans, regulations and procedures (e.g., service provisions);
- verification of the implementation of company strategies and policies.

❖ **The Supervisory Body (Legislative Decree no. 231/2001)**

The SB works for the prevention of crimes committed in the interest or to the advantage of the company by persons who hold top positions and by employees, with repercussions on the Company's administrative liability. The Supervisory Body receives regular information/reporting on the controls carried out by the Supervisory Body; the SB may also request from the aforementioned functions the additional specific controls that it deems necessary to be carried out for the correct management of the company's Organisation and Management Model.
The company has deemed it appropriate to appoint a collegial Supervisory Body composed of two external members and one internal member.

4. THE SUPERVISORY BODY AND ITS REGULATIONS.

4.1. The structural structure of the Supervisory Body.

In compliance with Articles 6 and 7 of Legislative Decree no. 231/01, the task of continuously supervising the suitability and effectiveness of the Model and its compliance, as well as ensuring that it is updated, is entrusted to a body of the company - the Supervisory Body - which is therefore endowed with autonomous powers of initiative and control whose attribution is based on the joint verification of the requirements of autonomy and independence in the exercise of its functions, as well as fit and proper requirements.
The Supervisory Body was established by resolution of the Board of Directors dated 21 December 2022, also acknowledging the positive assessment of the existence of the professional and integrity requirements of its members.
The Company's Supervisory Body is currently constituted as a collegiate body and is composed of three members (two external members and one internal member).
Pending the formal adoption of this organisational model, the Supervisory Body therefore proceeded, during the first meeting held on 1 February 2023, as the first formal fulfilment following its appointment, to draw up its internal operating regulations.
The term of office of the Supervisory Body is set at three years, which will expire at the end of the term of office of the Board of Directors and is renewable.
The Supervisory Body may be re-elected.
The resignation of the office may be exercised at any time, in the forms expressly governed by the Right of Withdrawal (see paragraph dedicated to Withdrawal) and must be communicated to the Board of Directors in writing, together with the reasons that led to it, with at least three months' notice.
Until a new SB is appointed, the resigning body remains formally in office.

4.2. The characteristics of the Supervisory Body.

In order to be able to carry out the tasks provided for by law, the Supervisory Body operates with autonomy, independence, professionalism and continuity of action.
The **autonomy** of the body as a whole is affirmed through its professionalism, in relation to the tasks entrusted to it and the concrete autonomy and effectiveness of the powers assigned. The SB must be completely free from functional or authorization reports and is extraneous to any form of interference and pressure from top management.
Independence, although not expressly indicated by Legislative Decree 231/2001, is derived, in a hermeneutic way, from the principle of effectiveness of control, since this requirement seems to rise to a necessary condition of not being subject to any top management.
The absence of conditions of "subjection" to the company's top management, on the one hand, and the failure to perform operational functions, on the other, are essential and competing elements for carrying out a penetrating control over the effective implementation of the model.
The tasks of the SB - which operates on a level of complete impartiality - are therefore exclusively of supervision and control over the technical work of the company and the resolution of the Board of Directors appointing it assigns to it tasks and powers that it can exercise independently with respect to all the functions of the company.
The autonomy and independence of the Supervisory Body are guaranteed:

- positioning, independent of any function, within the company's organizational structure;
- the possession of the requisites of integrity and professionalism;
- the reporting lines to the top management attributed to the SB;
- the incontestability, by any other body or corporate structure, of the activities carried out by the SB;
- autonomy in establishing its own internal operating rules through the adoption of its own Regulations;
- the *appropriate budget* for making the expenditure decisions necessary to carry out its functions and usable independently, without the need for further authorisations;
- free and continuous powers of initiative;
- the independence of the Body itself in the performance of the supervisory tasks assigned by law, supervision that remains free from any form of interference and/or conditioning by any member of the supervised entity and in particular by the Board of Directors.

The requirement of professionalism must be considered as intimately connected with autonomy, in the sense that the lack or lack of professionalism inevitably undermines the autonomy of judgment.
Professionalism, understood as a set of specific technical-professional skills (investigation, inspection, legal, analysis and risk assessment) appropriate to the functions that the Supervisory Body is called upon to perform, is ensured by the specific skills, as specified above, of the body itself.

4.3. The subjective requirements of eligibility.

The appointment as a Supervisory Body is subject to the presence of the subjective requirements of eligibility. The following are grounds for ineligibility and/or forfeiture of the Supervisory Body:

- be in a state of temporary disqualification or suspension from the management offices of legal persons and companies;
- be in one of the conditions of ineligibility or forfeiture provided for by Article 2382 of the Civil Code ("*An interdicted, incapacitated, bankrupt or person who has been sentenced to a penalty involving disqualification, even temporary, from public office or inability to exercise managerial offices may not be appointed director, and if appointed,*

he shall lose his office");

- have been subjected to preventive measures pursuant to Law No. 1423 of 27 December 1956 or Law No. 575 of 31 May 1965 and subsequent amendments and additions, without prejudice to the effects of rehabilitation;
- have been convicted or sentenced to a plea bargain, even if not final, even if the sentence is conditionally suspended, without prejudice to the effects of rehabilitation:

  - for one of the offences provided for by Royal Decree No 267 of 16 March 1942 (Bankruptcy Law);
  - for one of the offences provided for in Title XI of Book V of the Civil Code (companies and consortia);
  - for a non-negligent crime, for a period of not less than one year;
  - for a crime against the Public Administration, against public faith, against property, against the public economy or for a crime in tax matters;
  - for one of the offences provided for by the rules governing banking, financial, securities, insurance and by the rules on markets and transferable securities, payment instruments;

- have reported, in Italy or abroad, a conviction or plea bargain, even if not final, even if with a conditionally suspended sentence, without prejudice to the effects of rehabilitation, for violations relevant to the administrative liability of entities pursuant to Legislative Decree no. 231/2001;
- be the recipient of a decree ordering the indictment for all the crimes/offenses provided for by Legislative Decree 231/2001;
- have held the position of executive director, in the three financial years prior to his appointment as Supervisory Body, in companies:

  - subject to bankruptcy, compulsory liquidation or equivalent proceedings;
  - operating in the credit, financial, securities and insurance sectors subject to extraordinary administration procedures.

4.4. The events that changed the relationship.

- **Revocation**

The Supervisory Body may be revoked, by means of a specific resolution, by the Board of Directors only for just cause, after consulting the Board of Statutory Auditors (where applicable). Just cause for revocation shall include, but is not limited to:

- gross negligence in the performance of duties related to the assignment;
- omitted or insufficient supervision, by analogy with the case provided for by art. 6, paragraph 1 letter b) of 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 on request (so-called plea bargaining);
- the assignment of operational functions and responsibilities within the company organization that are incompatible with the requirements of "autonomy and independence" and "continuity of action" of the SB. In any case, any provision of an organizational nature concerning the SB (e.g. termination of the employment relationship, transfer to another position, dismissal, disciplinary measures) must be brought to the attention of the Board of Directors;
- serious and established reasons for incompatibility that may undermine their independence and autonomy;
- unjustified absence from two or more consecutive meetings of the Supervisory Body, following a ritual call.

- **Suspension**

Grounds for suspension from the function of Supervisory Body shall be ascertained, after the appointment, of the fact that the latter has held the position of member of the Supervisory Body within companies to which the sanctions provided for by art. 63 of the Decree have been applied, with a final measure (including the sentence issued pursuant to art. 63 of the Decree). 9 of the same Decree, for offences committed during his term of office.
The SB must notify the Board of Directors of the occurrence of the above-mentioned cause of suspension.
The Board of Directors, also in all further cases in which it is directly aware of the occurrence of the aforementioned cause, shall declare the suspension of the SB.
The decision on the possible revocation of the suspended Supervisory Body must be the subject of a resolution by the Board of Directors, after consulting the Board of Statutory Auditors (where applicable).
The SB that has not been revoked is reinstated in full function.

- **Temporary impediment**

In the event that causes arise that temporarily prevent the SB from carrying out its functions or from carrying them out with the necessary autonomy and independence of judgment, the SB is required to declare the existence of the legitimate impediment and - if it is due to a potential conflict of interest - the cause from which it derives, refraining from convening meetings of the body itself, as long as the aforesaid impediment persists or is removed.
By way of example, an illness or accident that lasts for more than three months and prevents the convening of meetings of the SB constitutes a cause of temporary impediment.
In the event of temporary impediment or in any other case that makes it impossible to call a meeting, the Board of Directors may order the temporary replacement of the Supervisory Body, appointing one or more alternate members during the first available meeting, the appointment in question will have a duration equal to the period of impediment.
This is without prejudice to the right of the Board of Directors, when the impediment lasts for a period of more than six months, extendable for a further six months, to revoke the SB.

- **Withdrawal and revocation (including early revocation) of the appointment**

The right of withdrawal is granted to the individual members of the Supervisory Body and is left to the discretion of the appointed professionals, as such not reviewable by the Company, except for the only obligation of written notice, to be communicated to the Company in writing, by registered mail with return receipt or by certified e-mail (p.e.c.), at least 90 (ninety) days in advance and with the right of the professional to full payment of the fees accrued and commensurate with the fraction of the current year at the time of withdrawal.

On the other hand, the company may remove the Supervisory Body from its position before the natural start of the three-year period only for just cause (due to the lack of the requirements of autonomy, independence, integrity and professionalism), upon written notice sent to the certified e-mail address of the members of the Supervisory Body.

4.5. The tasks of the Supervisory Body.

The SB is entrusted, on a general level, with the task of supervising the functioning and observance of the Model and ensuring that it is updated.
More specifically, it:

- supervises the correspondence between the provisions and disciplines of the Model and the actual conduct of the parties obliged to comply with it;
- assesses the Model's ability to prevent unlawful conduct and, therefore, verifies its

stability;
- monitors the Model over time, verifying that it maintains its validity requirements;
- proposes to the Management Body to update the Model, if the results of the analyses carried out justify changes and/or adjustments, also in relation to changed corporate and/or regulatory conditions. The SB participates, together with the competent departments, in the process of updating the Company Procedures, where this is required by any new laws that come into force on the individual matters subject to corporate regulation.

To this end, the Supervisory Body has the task, among other things, of:

- conduct reconnaissance of the company's activities for the purpose of up-to-date "mapping" of the areas of activity at risk within the corporate context;
- promote suitable initiatives for the dissemination of knowledge and understanding of the Model;
- establish the control procedures and verify their activation, bearing in mind that the primary responsibility for the control of activities remains in any case delegated to the *operational management* and forms an integral part of the business process;
- periodically carry out targeted checks on certain specific operations or acts carried out within the areas of activity at risk;
- coordinate with other company functions, including through special meetings, to improve the monitoring of activities in areas at risk of criminal offences. To this end, the SB is kept informed of the evolution of activities in the aforementioned areas, as described in paragraph 4.6 below, and has free access to all company documentation relevant to the prevention of the crimes provided for by Legislative Decree no. 231/2001;
- check the effectiveness, presence and regular keeping of the required documentation in accordance with the provisions of the operating procedures that become part of the Model;
- conduct internal investigations to ascertain alleged violations of the provisions of the Model;
- coordinate with the heads of the other company functions for the various aspects relating to the implementation of the Model (disciplinary measures, etc.).

4.6. Information flows to and from the Supervisory Body. The protection of persons who make reports of national and European provisions.

In order to make the exercise of its functions effective, the Supervisory Body must be able to be informed of facts or events that could give rise to the company's liability, pursuant to Legislative Decree no. 231/2001.
All without distinction, the subjects to whom this Model is addressed are, therefore, required to communicate to the Supervisory Body information regarding violations, even presumed, of the Organizational Model or the Code of Conduct.
Reports must be made in writing directly to the Supervisory Body at the following e-mail address: odv@bremaicegroup.it.
The Supervisory Body also receives notice of particular reports - as better specified in the following paragraph - and in relation to them guarantees the protection of whistleblowers through the so-called "*whistleblowing*" **system**.
In this regard, it should be noted that, on 29 December 2017, Law no. 197 on "Provisions for the protection of those who report crimes or irregularities of which they have become aware in the context of a public or private employment relationship" (so-called "Provisions for the protection of those who report crimes or irregularities in the context of a public or private employment relationship") came into force. "*Whistleblowing* Law"), published in

the Official Gazette General Series no. 291 of 14 December 2017.
Furthermore, Legislative Decree no. 24/2023 established rules of conduct for the protection of whistleblowers and the consequent management of reports, to be carried out through special channels.
Finally, it should be noted that, with ANAC Resolution no. 311 of 12 July 2023, the new "Guidelines on the protection of persons reporting violations of EU law and national regulatory provisions" were formally issued.
That said, the legislation referred to in Legislative Decree no. 24/2023 is also aimed at promoting the collaboration of the recipients of the provisions of Model 231, in order to encourage the emergence of illegal phenomena, in particular corrupt ones, which may be committed in the context of public or private entities.
The aforementioned legislative change has therefore provided for significant amendments to Legislative Decree no. 231/2001 (intervening in particular on Article 6) and introduced specific provisions governing any violations of the model, recognising to all subjects, top management and subordinates, the role of whistleblower (hereinafter, "The Whistleblower") who is, therefore, urged to take action to report to the SB and to the person in charge (so-called "Whistleblower"). "Persons in charge") any unlawful acts committed by others ("the Reported Person") and of which he/she has become aware in the course of carrying out his/her work. In particular, the Whistleblowing Law requires Entities to provide in the Model, systems and procedures that allow Recipients to report, even anonymously, any wrongdoing of which they become aware, without fear of repercussions of any kind.
Pursuant to Article 6, paragraph 2, letters a) and b), the information channel is adequate when it allows Whistleblowers to "*submit, in order to protect the integrity of the Entity, timely reports of unlawful conduct, relevant pursuant to the Decree and based on precise and consistent factual elements*".
To this end, the SB:

1) supports the Entity with the preparation of a specific procedure that regulates the concrete methods of reporting;
2) verifies the adequacy of the information channels set up in application of the whistleblowing regulations, so that they are such as to ensure the correct reporting of crimes or irregularities by the Company's employees and to ensure the confidentiality of the latter throughout the reporting management process;
3) manages the process of analysis and evaluation of the report;
4) supervises compliance with the prohibition of "retaliatory or discriminatory acts, direct or indirect, against the whistleblower for reasons related, directly or indirectly, to the report" (Article 6, paragraph 2 bis, letter c), Legislative Decree 231/2001). In particular, in carrying out this supervisory activity, the SB's function will be focused on dismissals or other measures (e.g. demotions and/or transfers) that may have a retaliatory or discriminatory nature against Whistleblowers;
5) supervises the correct use of information channels by the Whistleblowers, given that art. Article 6 provides that in addition to the person who has carried out retaliatory or discriminatory acts against the Whistleblower, the person who "makes reports that prove to be unfounded with intent or gross negligence" is also sanctioned.

In this context, the Supervisory Body assesses the reports received and the activities to be carried out at its reasonable discretion and responsibility, possibly listening to the author of the report and/or the person responsible for the alleged violation and justifying in writing any refusals to proceed with an internal investigation. The reports collected in this way must be kept in a special archive to which access is allowed only by the members of the SB.
Violation of the Procedure itself and the principles contained therein may result in the

application of disciplinary sanctions, as detailed in the document in question.

That said, it should be noted that, in accordance with the new requirements of Legislative Decree no. 24/2023, which came into force on 30 March 2023, the Company has formalised the methods for managing reports.

Well, reports can be submitted by:

- internal **reporting channel**: managed by the Supervisory Body. Internal reports can be sent, in written form, using the IT platform **'*BITLS'* (*BITLIFESOLUTIONS).***

  This platform allows reports to be made in confidential or anonymous mode (in the first case, the identity of the whistleblower will be known only to the staff in charge of handling the case) and guarantees the follow-up of the same. More specifically, *BITLS* ensures that the whistleblower can quickly and at any time check the status of the report forwarded simply by accessing its page containing the details of the same; moreover, it allows a constant update of the file through the attachment of additional information and/or documents.
- external **reporting channel**: activated at ANAC. This channel ensures the confidentiality of the identity of the reporting person, the person involved and the person named in the report, as well as the content of the report and its documentation. It should be noted that reports concerning relevant conduct pursuant to Legislative Decree 231/2001 and violations of Model 231 cannot be reported through the external channel set up at ANAC.

4.7. Disclosure requirements relating to official acts and the system of delegations.

In addition to the above-mentioned reports (which are of a possible nature), there are the disclosure obligations, to and from the Supervisory Body**,** which are listed below in basic form; further information flows may be requested *ad hoc*, from time to time, through communications and/or internal provisions, also in relation to the development of the coordination of information flows between the various control functions and the bodies within the framework of the Company's overall system of internal controls and related organisational requirements.
The interchange of *standard* flows does not cease the obligation, incumbent on all parties to whom the Organizational Model is addressed, to report - always and in any case - to the Supervisory Body its violations, even presumed, as well as those of the Code of Conduct. In any case, the Supervisory Body has the right of free access to all company structures and functions, none excluded and without the need for any prior consent or prior notice, in order to obtain any information or data deemed necessary for the performance of the tasks provided for by Legislative Decree 231/2001.

❖ <u>Disclosure obligations of the Supervisory Body</u>:
The SB must send:

- to the Board of Directors:
  - minutes of meetings (ordinary and extraordinary) and the annual report;
- to the Board of Statutory Auditors (where applicable):
  - minutes of meetings (ordinary and extraordinary) and the annual report;
  - documents and deeds at the request of the Board of Statutory Auditors or produced spontaneously;

- Compliance functions for:
    - proposals for audits in operational areas/matters of relevance 231;
    - assignments to update the Organizational Model as a result of: significant changes in the company's organizational structure; changes in the system of delegations; new regulatory production of interest for 231; case-law relevant for the purposes of 231.

❖ Disclosure obligations to the Supervisory Body:
The SB must receive:

- by the Board of Directors:
    - resolutions relating to Legislative Decree 231/2001 and transactions with the Public Administration;
    - any news relating to changes to the *governance structure*, the system of proxies and the organization chart;
    - measures and/or information from judicial police bodies or any other authority, from which it is evident that investigations are being carried out, even against unknown persons, for the predicate offences referred to in Legislative Decree 231/2001 or on the basis of other laws for which it is applicable, in the event that such investigations involve the company or its employees or collaborators or in any case may imply the liability of the entity itself;
    - the initiation of legal proceedings against top management, their subordinates or external collaborators of the entity where crimes provided for by Legislative Decree 231/2001 are alleged or for which it is deemed applicable on the basis of other regulations;
    - accidents in the workplace;
    - any modification and updating of the documentation relating to the occupational safety management system (DVR, emergency intervention and evacuation plan, procedures for overseeing functions related to health and safety at work);
- by the Board of Statutory Auditors (where applicable) or by the Auditors:
    - minutes and reports relating to Legislative Decree 231/2001;
- From the IT Service:
    - reports on activities that may be at risk of committing computer crimes pursuant to Legislative Decree 231/2001;
    - Business Continuity *Report*.
- by the other Organisational Units, on the basis of specific requests from the Supervisory Body and/or on the basis of the internal provisions in force from time to time within the company's internal control system.

Failure to comply with the disclosure obligations as specified above constitutes in itself a violation of the Model and therefore entails the application of the sanctions provided for by the disciplinary system.

4.8. The management of the assignment.

In order to carry out its duties, the Supervisory Body meets on an ordinary basis at least twice a year, through meetings in person or remotely, and maintains an ongoing relationship with the corporate bodies. It may decide to convene *audits*, even in extraordinary form, whenever it deems it necessary or appropriate, and in any case on the occasion of any reports (from staff or other subjects) relating to the commission or attempted commission of crimes or administrative offenses referred to in the legislation pursuant to Legislative Decree no. 231/2001.
It may also meet on an extraordinary basis at the specific request of the Board of Directors

or the Board of Statutory Auditors/Auditors.
Notices must be made known to the relevant Function involved, at least three days before the meeting, in written form (by *e-mail*) or also by telephone.
The activities carried out during the meetings of the SB are recorded. All approved minutes are kept in electronic form. The minutes are accessible to the institutional control and supervisory bodies and to those who request them in writing to the SB.
The corporate bodies are informed of the activities carried out during each year, through an annual report, presented close to the approval of the financial statements.
Other reports of the Supervisory Body on its activities may be drawn up at the specific request of the Board of Directors.
In turn, the SB, if it deems it necessary or urgent, can always request to report to the Board of Directors, especially for particularly important events that affect the proper management of the Model.

5. THE SANCTIONING SYSTEM.

5.1. General principles.

The mere elaboration of directives and guidelines of conduct is not sufficient to exclude the liability of the entity for any crimes committed in its interest or to its advantage.
Thus outlined, the Model can only be abstractly suitable for preventing the crimes referred to in the Decree, while it is also necessary that it be *effectively implemented* within the corporate context.
The effectiveness of the Model can be guaranteed not only through periodic checks on its adequacy (cf. *above*), but also by introducing a disciplinary system suitable for sanctioning non-compliance with the Model and the guidelines of conduct enshrined therein (Article 6, paragraph 2, letter e) and Article 7, paragraph 4, letter b) of Legislative Decree no. 231/2001).
The definition of an adequate disciplinary system is, therefore, an essential prerequisite for the discriminatory value of the Model with respect to the administrative liability of entities.
The penalties provided for will be applied to any violation of the provisions contained in the Model, regardless of the commission of the crime and the outcome of any criminal proceedings initiated by the judicial authority.
The Supervisory Body, having received the report and carried out the appropriate investigations, formulates a proposal regarding the measures to be adopted and communicates its assessment to the competent corporate bodies on the basis of the disciplinary system, which will pronounce on the possible adoption and/or modification of the measures proposed by the Supervisory Body, activating the company functions/organizational units competent from time to time with regard to the effective application of the measures Same.

In assessing the sanction to be applied, the following parameters must be considered:

- existence and relevance - including externally - of the negative consequences deriving to the Company from the violation of the Model;
- intentionality of the conduct and degree of negligence, imprudence or inexperience with regard to the foreseeability of the event;
- nature, species, means, object, time, place and any other mode of action (e.g. having taken action to neutralize the negative developments of the conduct);
- severity of the damage or danger caused to the Company;
- plurality of violations and repetitions of the same by those who have already been sanctioned;
- type of relationship established with the person who commits the violation (collaboration

relationship, organic relationship, clerical subordinate work, managerial subordinate work, etc.);
- duties of the worker and/or functional position in the company of the person who violates the Model;
- other special circumstances that accompany the disciplinary offence.

5.2. Disciplinary measures.

❖ **Personnel belonging to professional areas and middle managers.**

The work procedures and company regulations that all personnel are required to comply with are governed by the company and are made directly known to each employee.
Conduct by employees in violation of the individual rules of conduct set out in the Model and the Code of Conduct is defined as disciplinary offences.
The Supervisory Body must be promptly informed.
This report must come from the person (recipient, for whatever reason, of this document) who has detected the unlawful conduct.
Once the findings of the case have been made, the SB shall provide a detailed report to the responsible Function, for the initiation of disciplinary proceedings, in accordance with the provisions of art. 7 of Law no. 300 of 20 May 1970.
Once the existence of the violation has been confirmed, the responsible Department will provide due information on this point to the Board of Directors and the Board of Statutory Auditors, at the first Board meeting from the date on which the violation was ascertained.
Once the legal terms for the protection of the worker have expired, any measure will be imposed in a timely manner, inspired by criteria of:

- *graduality* of the sanction, in relation to the degree of danger of the conduct implemented;
- *proportionality* between the failure detected and the sanction imposed.

Recidivism constitutes an aggravating circumstance for the purposes of assessing the sanction to be imposed.
The Model refers to the categories of sanctionable facts provided for by the existing sanctioning system, contained in the provisions of the National Collective Labour Agreement of the category. These hypotheses describe the sanctioned conduct according to the importance of the individual cases considered and the sanctions actually provided for the commission of the acts themselves according to their seriousness.
In particular, in application of the criteria of correlation between the shortcomings of employees and the disciplinary measures in force, it is expected that the following will be incurred:

- In the provision of the "verbal or written reprimand":

employees who violate the internal procedures set out in this Model (for example, who does not comply with the prescribed procedures, fails to notify the SB of the prescribed information, etc.) or adopts, in the performance of their activities, conduct that does not comply with the provisions of the Model itself, as such conduct must be considered an incorrect execution of the orders given by the company both in written and verbal form, if this behaviour is related to a slight (verbal reprimand) or non-serious (written reprimand) failure to comply with contractual rules or directives and instructions given by management or superiors;

- In the provision of the "suspension from service and salary not exceeding 10 days":

employees who, in violating the internal procedures provided for in this Model or by adopting conduct in the performance of activities in "risk areas" that does not comply with the provisions of the Model itself, as well as by carrying out acts contrary to the interests of

the company, causes damage to it or exposes it to an objective situation of danger in relation to the integrity of the company's assets, such conduct must be regarded as non-execution of the orders given by the company, both in written and verbal form, and such conduct is related to a failure - repeated or of a certain seriousness - to comply with the contractual rules or with the directives and instructions given by the management or superiors;

- In the provision of "dismissal for significant non-compliance with the contractual obligations of the employee (justified reason)":

or, depending on the seriousness of the conduct carried out, the importance of the violations and the harmful consequences for the company, in the provision of "dismissal for a misconduct so serious as not to allow the continuation of the relationship (just cause), even temporarily": the worker who, in the performance of his or her activity, adopts conduct that is clearly in violation of the provisions of this Model and such as to determine the concrete application to the company of the measures provided for by the Decree, since such conduct must be recognized as conduct aimed - maliciously or through gross negligence - at causing serious reputational and/or material damage to the company, such conduct being related to a violation such as to constitute a "significant" non-compliance with the related obligations.

The type and extent of each of the above-mentioned sanctions will be applied, in accordance with the provisions of the disciplinary code in force in the company, in relation to:

- the intentionality of the conduct or the degree of negligence, imprudence or inexperience with regard also to the foreseeability of the event;
- the overall conduct of the worker with particular regard to the existence or otherwise of previous disciplinary measures against the same, within the limits permitted by law;
- the worker's duties;
- the functional position of the persons involved in the facts constituting the lack;
- the other special circumstances surrounding the disciplinary violation.

With regard to the investigation of the aforementioned infringements, disciplinary proceedings and the imposition of sanctions, the powers already conferred, within the limits of their respective competence, on the relevant company management remain unchanged. Should the Human Resources Manager decide not to proceed with the imposition of the sanction, he or she must give written reasons to the SB.

❖ **Executives.**

In the national collective bargaining agreement, there is no disciplinary code or conservative disciplinary sanction for managers.
In cases in which they implement, with respect to the requirements referred to in the Model, a conduct that is deficient and seriously detrimental to the company, the company will assess whether, in the face of the conduct found, the conditions for maintaining the fiduciary bond specifically inherent in the managerial employment relationship remain and, if not, will proceed to the termination of the employment relationship pursuant to Article 2118 of the Italian Civil Code and, In ascertained cases of wilful misconduct, pursuant to art. 2119 c.c.. The person (for whatever reason recipient of this document) who detects the unlawful conduct of the manager, pursuant to Model 231/01, shall promptly inform the Supervisory Body. Once the findings have been made, the SB will provide a detailed report to the responsible Department, which may request the appropriate clarifications from the manager(s) in writing, within 7 days of becoming aware of it. The Managing Director will also provide due and timely information to the Board of Directors and the Board of Statutory Auditors (where applicable) at the first Board meeting from the date on which the violation was ascertained.

Once the violation has been ascertained and the consequences have been analysed, the Board of Directors will apply the sanction in the terms already described.
Should the Board of Directors decide not to proceed, it must give written reasons to the Supervisory Body.

❖ **Executives with strategic responsibilities.**

In the event of a violation, the Supervisory Body must inform the Board of Statutory Auditors and all directors of the violation of the Model by the General Manager with strategic responsibilities.
The Board, also proceeding with independent investigations and, after consulting the Board of Statutory Auditors (where applicable), will proceed with the appropriate measures already provided for and described in the previous paragraph.
Should the Board of Directors decide not to proceed, it must give written reasons to the Supervisory Body.

❖ **Administrators.**

The Supervisory Body must inform the Board of Statutory Auditors and all directors of the notice of a violation of the Model committed by one or more directors. The Board, also proceeding with independent investigations and after consulting the Board of Statutory Auditors, will proceed with the appropriate measures provided for by the Civil Code.

❖ **Consultants, partners and suppliers.**

Any conduct carried out by consultants, *partners*, suppliers in contrast with the guidelines indicated in this Model and such as to entail the risk of committing an offence sanctioned by the Decree may determine, in accordance with the provisions of the specific contractual clauses, the termination of the relationship or any other contractual sanction specifically provided, without prejudice to any claim for compensation if the conduct derives from the concrete damage to the company, as in the case of application by the judicial authority of the sanctions provided for by the Decree.

6. THE CODE OF CONDUCT.

Also in consideration of the fact that the adoption of principles of conduct can be an important tool to prevent the commission of crimes relevant to the application of the sanctions provided for by the Decree, the Company has adopted its own Code of Conduct which identifies the underlying values and principles that must inspire the activity carried out on behalf of the Company and which constitutes, to all intents and purposes, an integral part of this Model.

The Code of Conduct, prepared and approved by the Company, is of general application, providing for a series of principles of business ethics that the Company recognizes as its own and which it intends to promote not only by all employees, but - and more generally - also by all those who, in any capacity, operate in the name of the Company.
The Company pays particular attention to the dissemination of the principles contained in the Code of Conduct and, to this end, takes care to deliver a copy - or an extract thereof - to each member of the Staff. Please note that failure to comply with the principles contained in the Code of Conduct may result in the application of the disciplinary sanctions indicated above.

In the Code of Conduct adopted by the company, it is established that it operates in the exclusive interest of Investors, committing itself to carry out its activities on the basis of the principles of:

- honesty, transparency and fairness;
- independence;
- objectivity;
- legality
- professionality;
- confidentiality.

The Company undertakes, therefore, to carry out its activities in a professionally correct manner, refraining from conduct contrary to or not in accordance with the Law or which, in any way, may damage or endanger the image of the company.

With specific regard to transparency and integrity in the performance of its activities and in the achievement of objectives, each recipient must undertake to conduct itself in a manner inspired by transparency and moral integrity and, in particular, by the values of honesty, fairness in business, environmental protection and good faith. The Recipients undertake to ensure correctness, completeness, accuracy, uniformity and timeliness in the management and communication of company information, thus avoiding misleading conduct from which undue advantage may be taken.

The Recipients pursue, in carrying out their work and/or the task assigned to them by the Company, the objectives and general interests of the Company in compliance with the principles of honesty, fairness and integrity. Relations with the control bodies (Supervisory Body and Board of Statutory Auditors) and the Supervisory and Control Authorities are inspired by the principles of transparency, completeness, truthfulness, loyalty and correctness of information which, under no circumstances, according to current legislation, may be kept silent or distorted.

❖ **Non-discrimination**

Each recipient recognizes and respects the personal dignity, privacy and personality rights of any individual, both in internal and external relations with the Company. In carrying out their activities, each recipient undertakes to respect differences in gender, age, race, religion, political and trade union affiliation, language or different abilities; Discrimination, harassment or sexual, personal or other insults are not tolerated.

❖ **Cooperation**

The Company protects and promotes the value of its human resources in order to maximize their degree of satisfaction and increase the wealth of skills possessed. Each recipient will carry out his/her activity with the professionalism required by the nature of the tasks and functions performed, making the utmost effort to achieve the objectives assigned to him and assuming the responsibilities that fall to him by reason of his duties. Each recipient will diligently carry out the necessary in-depth and updating activities. In particular, in relations with other resources, each resource must behave on the basis of principles of civil coexistence and in a spirit of full collaboration.

❖ **Human resources**

The Company recognizes the centrality of human resources, which are required to be professional, dedicated, loyal, honest and collaborative. It is in fact, mainly through its human resources, that the Company pursues the company's objectives aimed at guaranteeing a quality service and creating value, and it is therefore in the primary interest to promote potential and professional growth, through: 1) a search and selection of personnel carried out on the basis of criteria of objectivity, competence and professionalism, ensuring equal employment and career opportunities for all on the basis of merit; 2) respect, also in the

selection of personnel, for the personality and dignity of each individual, avoiding the creation of situations in which people may find themselves in conditions of discomfort; 3) a correct and confidential use of the personal data of the resources. The information requested during the selection process is closely linked to the verification of the professional profile sought, respecting the candidate's privacy and personal opinions; (4) workplaces suitable for the safety and health of the people who work in them; (5) the prevention of discrimination and abuse of all kinds, for example on the basis of race, religious belief, political and trade union membership, language, sex and sexual preference; 6) the definition of roles, responsibilities, delegations and availability of information such as to allow each person to take the decisions that are his/her responsibility in the interest of the Company; 7) a prudent, balanced and objective exercise by the managers of specific activities or organizational units and of the powers related to the delegation received. The competent company departments ensure that the working environment is not only adequate from the point of view of safety and personal health, but also free of prejudices.

❖ **Conflict of interest**

The Recipients must refrain from carrying out activities and making any decision, pursuing their direct or indirect financial interest that is also potentially in conflict with the interests of the Company. The Company has paid particular attention to situations of conflict of interest and has adopted a specific corporate procedure to which the Recipients must comply. This *policy* indicates all the potential cases of conflict of interest, the corrective measures that the company adopts in order to minimize the risk of incorrect, unprofessional and/or contrary to the law.
The Company has adopted a special register to report, in the utmost transparency, the conditions of conflict of interest or potential conflicts. The Recipients of the Code are required to notify the responsible Department without delay of all situations that may be noted in the aforementioned register.

❖ **Confidential Information**

The Company guarantees, in accordance with the provisions of the law, the confidentiality of the information in its possession. Information or knowledge relating to any aspect of the Company's business constitutes a business asset and provides the Company with the opportunity to better serve customers and compete successfully in the market. All such information or knowledge, regardless of its specific nature, means and form, which the Company considers "confidential", i.e. "private and non-public", may not be in the public domain outside the Company and must always be treated as "confidential information" to the Company itself. It is therefore strictly forbidden for the Recipients to use confidential information for purposes not related to the exercise of their professional activity and, therefore, for their personal interest, advantage or gain. Consequently, Recipients who have access to "confidential information" must protect such information and are required to ensure and guarantee its security and safeguards.
The Company also undertakes not to disclose any Inside Information to third parties, except in cases where such activity is provided for and permitted by law, to fairly manage the financial resources entrusted to it, with the sole purpose of maximizing the economic return of individual investors, to provide clear, detailed and up-to-date information, and, finally and in general, to comply with the Code of Conduct and to enforce it by anyone who works in or with it.

❖ **Confidentiality and privacy**

The Company, in full compliance with the legislation on data protection and processing, reserves the most appropriate processing for the personal data of which it becomes aware,

aimed at protecting the legitimate expectations of the data subjects regarding their confidentiality, dignity and image. The information in the Company's possession is processed by the Company in full respect of the privacy of the data subjects. The performance of the Company's activities involves the acquisition, storage, processing, communication and circulation within and outside the Company of documents, studies, data and written, telematic and/or verbal information concerning the Company's know-how and activities. This information, acquired or processed by the Recipients in the exercise of their duties, belongs to the Company and may be used, communicated or disclosed only in compliance with the obligations of diligence and loyalty deriving from the rules and employment contracts. The disclosure of confidential information outside the Company, especially to competitors, harms the competitive position of the Company and its shareholders and is contrary to the principles enshrined in the Code.

❖ **Prohibition of operations aimed at receiving stolen goods, money laundering and use of money, goods and utilities of illicit origin.**

The Company carries out its activities in full compliance with current anti-money laundering regulations and the provisions issued by the competent authorities. The Company pursues maximum transparency in commercial transactions and prepares the most appropriate tools in order to combat the phenomena of receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin. Recipients must never carry out or be involved in activities that involve the laundering (i.e., acceptance or processing) of proceeds from criminal activities in any form or manner. The Recipients must verify in advance the available information (including financial information) on commercial counterparties, consultants and suppliers, in order to ascertain their moral integrity, their respectability and the legitimacy of their activity before establishing any business relationship with them. Recipients are required to strictly comply with laws, *policies* and company procedures in any economic transaction in which they are involved, ensuring full traceability of incoming and outgoing financial flows and full compliance with anti-money laundering laws.

❖ **Gifts to customers, suppliers and consultants.**

In business relationships with customers, suppliers and consultants, donations, benefits (both direct and indirect), gifts, acts of courtesy and hospitality such as to compromise the image of the Company and to be interpreted as aimed at obtaining preferential treatment that is not legitimate and/or determined by market rules are prohibited.

❖ **Protection of the environment, health and safety at work.**

The Company considers the pursuit of the objectives of protecting the environment and improving the safety and health of workers as an integral part of its business and as a strategic corporate value. To this end, the Company undertakes to: · disseminate and consolidate a culture of environmental protection, safety and health at work by developing awareness of risks and promoting responsible behaviour on the part of all Recipients; · carry out institutional training, provided at certain times in the employee's corporate life; · promote and implement any initiative aimed at minimizing risks and removing causes that may jeopardize the environment, the health and safety of employees, carrying out technical and organizational interventions, including through the introduction of a risk management system for the safety of the resources to be protected.

❖ **Transparency of accounting**

Accounting is strictly based on the general principles of truth, accuracy, completeness, clarity and transparency of the data recorded. In their conduct, employees and collaborators

are obliged to refrain from any act, active or omissive, that directly or indirectly violates the principles referred to in the previous paragraph or the internal procedures relating to the preparation of accounting documents and their external representation. The Company undertakes to ensure maximum transparency and fairness in the management of transactions with related parties, in accordance with the provisions issued by the Authorities. The Company's Financial Statements strictly comply with the general principles of true and fair representation of the balance sheet, economic and financial situation in compliance with current general and special regulations. The evaluation criteria refer to civil law and generally accepted standards.

❖ **Relations with the Supervisory Authorities and the Public Administration**

The Recipients who operate directly or indirectly in the interest of the Company must conduct themselves in accordance with the law and ethics and undertake to collaborate, strictly respect and scrupulously comply with the prescriptions and rules set by the Institutions, whether of a public or private nature, by the Supervisory Authorities, by the Supervisory Bodies in charge of the Company's sector of activity as well as by the Bodies of the Public Administration. In particular, in order to ensure maximum transparency of the Company's work, all those who operate directly or indirectly in the interest of the Company undertake not to delay, omit or alter any legitimate communication requested by the above-mentioned parties.

❖ **Relations with political parties**

The Company, and on its behalf those who work directly or indirectly in its interest, does not finance political parties or their representatives or candidates, either in Italy or abroad, and also refrains from any conduct aimed directly or indirectly at influencing or exerting pressure on such subjects. The Company also avoids being in a position to receive, directly or indirectly, influence or pressure from such persons.

❖ **Relationships with suppliers and collaborators**

The Company aims to procure products, materials, works and services at the most advantageous conditions in terms of quality/price ratio, while combining this objective with the need to establish relationships with suppliers that ensure operating methods compatible with respect for human and workers' rights, as well as respect for the environment. To this end, the Company requires that suppliers and collaborators/service providers refrain, by way of example, from using child or child labor and from discrimination, abuse or coercion to the detriment of workers and from the use of materials that are harmful to the environment. In the event of violation of the principles of legality, fairness, transparency, confidentiality and respect for the dignity of the person, the Company is entitled to take appropriate measures up to the termination of the relationship with the supplier.

❖ **Customer relations**

In relations with customers, and in general in external relations maintained in the course of their work, the Recipients of the Code, where directly or indirectly involved in such relationships, are required to conform their conduct to criteria of courtesy, collaboration, fairness and transparency, providing, where required or necessary, complete and adequate information and avoiding, in any circumstance, the use of elusive, unfair practices or in any case aimed at undermining the independence of judgment of the interlocutor.

❖ **Assignment of professional assignments**

The Company adopts criteria for the assignment of professional assignments based on the principles of competence, cost-effectiveness, transparency and fairness.

❖ **Dissemination and updating of the Code**

The Company undertakes to promote and guarantee adequate knowledge of the Organisation and Management Model and the Code of Conduct, disseminating it to the Recipients through specific and adequate information and communication activities. To this end, the Company publishes the Code on the Company's *intranet* and on the Company's website. The Company also undertakes to update the contents if needs dictated by changes in the context, the reference legislation, the environment or the company organization make it appropriate and necessary.

❖ **Compliance with the Code**

The observance of this Code by the Recipients and their commitment to comply with the general duties of loyalty, fairness and execution of the employment contract in good faith must be considered an essential part of the contractual obligations also on the basis of and for the purposes of art. 2104 c.c. Violation of the provisions of the Code leads to disciplinary sanctions provided for in the sector regulations, depending on the seriousness and possible criminal and civil prosecutions. Compliance with the Code by third parties (e.g. suppliers, consultants, etc.) integrates the obligation to comply with the duties of diligence and good faith in the negotiations and execution of contracts in place with the Company. It is the responsibility of the Supervisory Board to ensure that the Code is adapted from time to time to current legislation. Violations of the Code are serious acts that damage the relationship of trust established with the Company and may result in disciplinary actions, warnings, suspensions, dismissals, contract terminations and even civil actions for damages.

7. PROCEDURE MANAGEMENT.

The company, in addition to the rules/prohibitions of conduct provided for in the special section in relation to each area of risk-crime, may adopt specific operating procedures and *policies* with the aim of further regulating the actual performance of corporate activities, providing for the appropriate control tools aimed at minimizing the risk of committing offences in compliance with the principles set out in the Model.

SPECIAL PART

8. FUNCTION AND STRUCTURE OF THE "SPECIAL PART".

Art. 6, paragraph 2, of Legislative Decree no. 231/2001 provides that the Organizational Model must "identify the activities in the context of which crimes may be committed". In order to better target the appropriate measures to ensure that the activity is carried out in compliance with the law and to promptly detect and eliminate situations of risk of crime, intervening significantly where they have the greatest chance of materializing, the company has undertaken and maintains an activity of analysis of crimes based on the assumption that, taking into account the nature and dynamics through which they occur, they may be committed by top management or by persons subject to the direction or supervision of others, in each of the areas/organizational units in which the structure of the company itself is organized.

The *risk assessment* activity identifies the sensitive areas/activities in which the so-called "predicate offences" may be committed; these are offences that, due to the characteristics of the Company, are more likely to be verified.

At present, the following areas of risk-crime have been identified and considered relevant:

- Risk area relating to the commission of crimes in relations with the Public Administration (provided for by Articles 24 and 25 of Legislative Decree 231/2001);
- Risk area relating to the commission of corporate crimes (provided for by Article 25-ter of Legislative Decree 231/2001);
- Risk area relating to the commission of crimes against industry and commerce (provided for by Article 25-bis.1 of Legislative Decree 231/2001);
- Risk area relating to the commission of crimes relating to receiving stolen goods, money laundering and use of money, goods or utilities of illegal origin, as well as self-laundering (provided for by Article 25-octies of Legislative Decree 231/2001);
- Risk area relating to the commission of computer crimes and in the field of processing and management of personal data (provided for by Article 24-bis of Legislative Decree 231/2001)
- Risk area relating to violations of the law on the protection of copyright (provided for by Article 25-novies of Legislative Decree 231/2001);
- Risk area relating to offences relating to the protection of health and safety at work (provided for by Article 25-septies of Legislative Decree 231/2001);
- Risk area related to the crime of not making or making false declarations to the judicial authority (provided for by Article 25-decies of Legislative Decree 231/2001);
- Risk area relating to xenophobia and racism offences (provided for by Article 25-terdecies of Legislative Decree 231/2001);
- Risk area relating to crimes against the individual personality (provided for by Article 25-quinquies of Legislative Decree 231/2001);
- Risk area related to crimes relating to the employment of illegally staying third-country nationals (provided for by Article 25-duodecies of Legislative Decree 231/2001);
- Risk area relating to the commission of environmental crimes (provided for by Article 25-undecies of Legislative Decree 231/01);

- Risk area relating to the commission of tax crimes (provided for by Article 25-quinquiesdecies of Legislative Decree 231/2001);
- Risk area relating to the commission of offences relating to counterfeiting of coins, credit cards, revenue stamps and instruments or signs of identification (provided for by Article 25-bis of Legislative Decree 231/2001);
- Risk area relating to the commission of crimes in the field of organized crime (provided for by Article 24-ter of Legislative Decree 231/2001);

The purpose of this special section is therefore to illustrate in more detail the areas of risk-crime considered relevant due to the nature of the activity carried out by the Company and the types of relationships (internal and external) that characterize it.

These risk areas are then explored through the mapping and explanation of the individual predicate offences that may present risks of concrete occurrence due to specific activities of the company or that in any case affect its dynamics, even indirectly.

A brief description of each of the individual predicate offences is in fact intended to facilitate a more immediate identification and understanding, by all the addressees of this Model, of the criminal event from the occurrence of which the company's administrative liability may arise – when the subjective and objective requirements provided for by the Decree are met.

The equivalent value in Euros (minimum and maximum) of the financial penalties imposed for each of the offences and, where applicable, the disqualification sanctions are also highlighted.

For each of these areas at risk of crime, the principles of control and conduct that must be followed by all those who operate there are then identified, carrying out their monitoring. In addition to the principles of control and conduct set out in the previous paragraphs, and partly also contained in the Code of Conduct, there are additional, more specific company procedures adopted within the company for each of the relevant sensitive activities/processes.

In any case, and regardless of what is indicated in the company policies and procedures, the company adopts the following principles that must therefore be respected by all the Recipients of the Model:

- **Principle of legality**

Every operation and transaction must be legitimate, in compliance with rules, regulations and procedures, as well as in compliance with the provisions of the Model.

- **Principle of separation**

Every operation and transaction must be respectful of the principle of separation of the different corporate functions: no operator can control an entire business process.

- **Principle of conformity to delegations**

Each act must be carried out by those who have the powers: the powers of authorization and signature must be consistent with the organizational responsibilities assigned.

- **Principle of *accountability***

Every operation, transaction and action must be verifiable, documented, consistent and congruous, and based on complete and documentable information.

- **Principle of transparency**

Every corporate operation and transaction must be open to objective analysis and verification with precise identification of the subjects and company functions involved.

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9. CRIMES AND RISKY BEHAVIOURS.

9.1. Offences against the Public Administration (Articles 24 and 25 of Legislative Decree 231/2001)

Article 24 of Legislative Decree 231/2001 – Undue receipt of disbursements, fraud to the detriment of the State, a public body or the European Union or to obtain public disbursements, computer fraud to the detriment of the State or a public body and fraud in public supplies [Article amended by Law 161/2017, Legislative Decree 75 of 14 July 2020 and Law 137/2023]

"1. In relation to the commission of the offences referred to in Articles 316-bis, 316-ter, 353, 353-bis, 356, 640(2)(1), 640-bis and 640-ter, if committed to the detriment of the State or other public body or of the European Union, of the Criminal Code, a fine of up to five hundred shares shall be imposed on the entity.
2. If, as a result of the commission of the offences referred to in paragraph 1, the entity has made a significant profit or caused particularly serious damage, a fine of between two hundred and six hundred shares shall be imposed.
2-bis. The penalties provided for in the preceding paragraphs in relation to the commission of the offence referred to in Article 2 of Law No. 898 of 23 December 1986 shall apply to the entity.
3. In the cases referred to in the preceding paragraphs, the disqualification penalties provided for in Article 9(2)(c), (d) and (e) shall apply.'

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- **Embezzlement of public disbursements** (Article 316-bis of the Criminal Code)

'*Any person who, outside the public administration, has obtained from the State or from any other public body or from the European Communities contributions, subsidies, loans, subsidised loans or other disbursements of the same type, however described, intended for the achievement of one or more purposes, and does not allocate them to the intended purposes, shall be punished with imprisonment of between six months and four years*.'

- Description of the offence

The offence arises in the event that, after having received funding or contributions from the Italian State or the European Union, the sums obtained are not used for the purposes for which they were intended. Taking into account that the moment of consummation of the crime coincides with the execution phase, the crime itself can also be configured with reference to loans already obtained in the past and which are now not allocated to the purposes for which they were disbursed.

- Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

- Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Undue receipt of public disbursements to the detriment of the State** (Article 316-ter of the Criminal Code)

'Unless the act constitutes the offence referred to in Article 640a, any person who, by the use or presentation of false or untrue declarations or documents, or by the omission of due information, unduly obtains, for himself or for others, contributions, subsidies, loans, subsidised loans or other disbursements of the same kind, however called, granted or disbursed by the State, by other public bodies or by the European Communities shall be punished with imprisonment of between six months and three years. The penalty is imprisonment from one to four years if the act is committed by a public official or a person in charge of a public service with abuse of his or her position or powers. The penalty is imprisonment from six months to four years if the act offends the financial interests of the European Union and the damage or profit exceeds €100,000.
When the amount unduly received is equal to or less than €3,999.96, only the administrative sanction of the payment of a sum of money from €5,164 to €25,822 applies. In any event, this penalty may not exceed three times the benefit obtained.'

➢ Description of the offence

The offence occurs in cases in which – through the use or presentation of false declarations or documents or through the omission of due information – contributions, loans, subsidised loans or other disbursements of the same type, granted or disbursed by the State, other public bodies or the European Community, are obtained, without being entitled to them. In this case, contrary to what has been seen with regard to the previous offence (Article 316-bis), the use that is made of the disbursements is irrelevant, since the offence is committed at the time of obtaining the funding. Finally, it should be noted that this offence, unlike the previous offence, arises only in cases where the conduct does not constitute fraud against the State. Example: an employee of the company, in order to obtain a disbursement from the European Union, submits to the competent authority documents falsely certifying the existence of an indispensable requirement for obtaining the contribution.

➢ Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

➢ Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Disturbed freedom of enchantments** (art. 353 of the Criminal Code)

'*Any person who, by violence or threat, or by gifts, promises, collusion or other fraudulent means, prevents or disturbs the tender in public tenders or private tenders on behalf of public administrations, or dismisses tenderers, shall be punished with imprisonment from six months to five years and a fine from €103 to €1,032.*

If the offender is a person appointed by law or by the Authority to carry out the aforementioned auctions or tenders, imprisonment is from one to five years and a fine from €516 to €2,065.

The penalties laid down in this article shall also apply in the case of private tendering on behalf of private individuals, directed by a public official or by a legally authorized person; but shall be reduced by half.'

➢ Description of the offence

The offence arises in the event that, with the use of one of the means provided for in art. 353 of the Criminal Code, the conduct of a tender or sale organized by the State or other Public Body, or a private tender, is prevented or disturbed. This may be the case, for example, if the fraudulent or collusive conduct prevents the participation of interested parties in the tender or simply alters the regularity of the procedure or the result.

➢ Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

➢ Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Disturbed freedom of the procedure for choosing the contractor** (Article 353-bis of the Criminal Code)

'*Unless the act constitutes a more serious offence, any person who, by means of violence or threats, or by gifts, promises, collusion or other fraudulent means, disturbs the administrative procedure for determining the content of the notice or other equivalent act in order to influence the manner in which the contracting party is chosen by the public authority shall be liable to imprisonment of between six months and five years and a fine of between EUR 103 and EUR 1 032.*'

➢ Description of the offence

The offence arises in the event that conduct is carried out aimed at unlawfully interfering with the determination of the content of the call for tenders, or of the act equivalent to it (by which we mean any act that has the effect of initiating the procedure for choosing the contractor). That may be the case, for example, in the case of a

clandestine agreement intended to influence the normal conduct of tenders, since, since it is an offence of danger, it is not necessary for the act of calling the competition to be actually amended in such a way as to interfere with the successful tenderer; It is, in fact, sufficient that the correctness of the administrative procedure initiated for the preparation of the call for tenders is concretely jeopardised.

➢ Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

➢ Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Fraud to the detriment of the State, another public body or the European Union** (Article 640 of the Criminal Code)

'Any person who, by artifice or deception, misleading someone, procures for himself or others an unjust profit to the detriment of others, shall be punished with imprisonment from six months to three years and a fine from €51 to €1,032.
The penalty is imprisonment from one to five years and a fine from €309 to €1,549:
(1) if the offence is committed to the detriment of the State or another public body or of the European Union or on the pretext of exempting someone from military service;
(2) if the offence is committed in such a way as to give rise to the injured party's fear of an imaginary danger or to mistaken the belief that he or she must comply with an order issued by the Authority;
2-bis) if the act is committed in the presence of the circumstance referred to in Article 61, number 5.
The offence shall be punishable on complaint by the injured party, unless one of the circumstances referred to in the preceding paragraph or the aggravating circumstance provided for in Article 61(7) of the first paragraph applies.'

➢ Description of the offence

The offence arises in the event that, in order to make an unfair profit, artifices or deceptions are carried out such as to mislead and cause damage to the state (or to another public body or to the European Union). This can occur, for example, in the event that, in the preparation of documents or data for participation in tender procedures, untruthful information is provided to the Public Administration (e.g. supported by artificial documentation), in order to obtain the award of the tender itself.

➢ Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

➢ Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Aggravated fraud to obtain public disbursements** (Article 640-bis of the Criminal Code)

'The penalty shall be imprisonment of between two and seven years and shall be prosecuted ex officio if the offence referred to in Article 640 relates to contributions, subsidies, loans, subsidised loans or other payments of the same kind, however called, granted or disbursed by the State, other public bodies or the European Communities.'

➢ Description of the offence

The offence arises in the event that the crime of fraud described above is carried out to unduly obtain public disbursements. This can be the case in the event of artifice or deception, for example by communicating untrue data or preparing false documentation, in order to obtain public funding. Example: an employee, in order to obtain public disbursements, voluntarily misleads the public officials of the competent office to decide on the application through the collaboration of third parties, who certify the existence of fictitious situations. The elements characterizing the crime are: with respect to the crime of generic fraud (Article 640, paragraph 2, no. 1, of the Criminal Code), the specific material object, which for the present case consists in obtaining public disbursements, however named; With respect to the crime of undue receipt of disbursements (Article 316-ter of the Criminal Code), the need for the additional element of the activation of artifices or deceptions capable of misleading the disbursing entity.

➢ Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

➢ Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Computer fraud** (Article 640-ter of the Criminal Code)

'Any person who, by altering in any way the operation of a computer or telecommunications system or intervening without right in any way whatsoever on data, information or programs contained in or pertaining to a computer or telecommunications system, procures for himself or others an unfair profit to the detriment of others, shall be punished with imprisonment of between six months and three years and a fine of between EUR 51 and EUR 1,032.

The penalty is imprisonment from one to five years and a fine from €309 to €1549 if one of the circumstances provided for in number 1) of the second paragraph of Article 640 occurs, i.e. if the act produces a transfer of money, monetary value or virtual currency or is committed with abuse of the quality of system operator.
The penalty is imprisonment from two to six years and a fine from €600 to €3,000 if the act is committed with theft or improper use of the digital identity to the detriment of one or more subjects.
The offence shall be punishable on complaint by the injured party, unless one of the circumstances referred to in the second and third paragraphs or the circumstance referred to in Article 61(5) of the first paragraph applies, limited to the fact that he or she took advantage of personal circumstances, including by reference to age.'

- Description of the offence

The offence occurs in the event that, by altering the operation of a computer or telematic system or manipulating the data contained therein, an unfair profit is obtained by causing damage to third parties.

- Financial penalty

From € 25,800.00 to € 929,400.00 (maximum applicable for the aggravated hypothesis provided for in the second paragraph of Article 24, Legislative Decree 231/2001, where an administrative fine of up to six hundred shares may be imposed).

- Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions and subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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Article 25 of Legislative Decree 231/2001 – Embezzlement, extortion, undue inducement to give or promise benefits, corruption and abuse of office [Article amended by Law no. 190/2012 and Law no. 3 of 9 January 2019 and amended by Legislative Decree no. 75 of 14 July 2020]

'1. In relation to the commission of the offences referred to in Articles 318, 321, 322(1) and (346-bis) of the Criminal Code, a fine of up to two hundred shares shall apply. The same penalty applies, where the act offends the financial interests of the European Union, in relation to the commission of the offences referred to in the first paragraph of Articles 314, 316 and 323 of the Criminal Code.
2. In relation to the commission of the offences referred to in Articles 319, 319-ter(1), 321, 322(2) and (4) of the Criminal Code, a fine of between two hundred and six hundred shares shall be applied to the entity.
3. With regard to the commission of the offences referred to in Articles 317 and 319, aggravated pursuant to Article 319-bis where the entity has made a significant profit from the act, pursuant to Articles 319-ter, paragraph 2, 319-quarter and 321 of the Criminal Code, a fine of between three hundred and eight hundred shares shall be applied to the entity.
4. The financial penalties provided for in respect of the offences referred to in paragraphs 1 to 3 shall also apply to the entity where such offences have been committed by the persons referred to in Articles 320 and 322-bis.

5. In cases of conviction for one of the offences referred to in paragraphs 2 and 3, the disqualification penalties provided for in Article 9(2) shall apply, for a period of not less than four years and not more than seven years, if the offence was committed by one of the persons referred to in Article 5(1)(a), and for a duration of not less than two years and not more than four years, if the offence was committed by one of the persons referred to in Article 5(1)(b).
5-bis. If, prior to the judgment at first instance, the entity has made effective efforts to prevent the criminal activity from being carried out to further consequences, to ensure evidence of the offences and to identify those responsible or to seize the sums or other benefits transferred, and has eliminated the organisational deficiencies that led to the offence through the adoption and implementation of organisational models suitable for preventing offences of the kind that occurred, Disqualification penalties shall have the duration laid down in Article 13(2).'

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- **Corruption in the exercise of office** (Article 318 of the Criminal Code)

'A public official who, in the exercise of his duties or powers, unduly receives, for himself or for a third party, money or other benefits, or accepts a promise thereof, shall be punished with imprisonment of between three and eight years.'

*** *** ***

- **Corruption for an act contrary to official duties** (Article 319 of the Criminal Code)

'A public official who, by omitting or delaying or omitting or delaying an act of his office, or by performing or having performed an act contrary to the duties of office, receives, for himself or for a third party, money or other benefits, or accepts the promise thereof, shall be punished with imprisonment of between six and ten years.'

➢ Description of offences

These offences arise when a public official receives, for himself or for others, money or other advantages or the promise of advantages for performing, omitting or delaying or for having performed, omitted or delayed acts of his office or acts contrary to official duties. The activity of the public official may be expressed both in a necessary act (e.g. speeding up a practice whose evasion is within his competence), and in an act contrary to his duties (for example: public official accepting money to guarantee the award of a tender). These cases differ from bribery in that there is an agreement between the corrupt and the corruptor aimed at achieving mutual advantage, while in bribery the private individual suffers the conduct of the public official or the person in charge of the public service. Example: An employee offers a sum of money to an official of a public office in order to obtain the rapid issuance of an administrative order necessary for the exercise of the Company's activity.

➢ Financial penalties

- For art. 318 of the Criminal Code: from € 25,800.00 to € 309,800.00 (maximum applicable edict for the hypothesis provided for in the first paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of up to two hundred shares may be imposed);
- For art. 319 of the Criminal Code: from € 51,600.00 to € 929,400.00 (maximum applicable for the hypothesis provided for in the second paragraph of Article 25,

Legislative Decree 231/2001, where an administrative fine of between two hundred and six hundred shares may be imposed);

- For art. 319 of the Criminal Code, if aggravated pursuant to art. 319-bis, Criminal Code: from €77,400.00 to €1,239,200.00 (maximum applicable edict for the hypothesis provided for in the third paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of a minimum of three hundred and up to a maximum of eight hundred shares may be imposed);

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of Publication of Goods or Services.

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❖ **Corruption in judicial acts** (Article 319-ter of the Criminal Code)

'If the acts referred to in Articles 318 and 319 are committed to favour or harm a party in civil, criminal or administrative proceedings, the penalty shall be imprisonment of between six and twelve years.
If the act results in the unjust sentence of a person to imprisonment not exceeding five years, the penalty shall be imprisonment from six to fourteen years; If an unjust sentence of imprisonment of more than five years or life imprisonment is resulted, the penalty shall be imprisonment of between eight and twenty years.'

➢ Description of the offence

The offence arises when the Company is a party to a judicial proceeding and, in order to obtain an advantage in the proceedings itself, bribes a public official (not only a magistrate, but also a clerk or other official). Example: An employee offers a large sum of money to the Public Prosecutor who conducts criminal investigations into activities carried out by the company to conceal illegal acts and obtain the dismissal of the proceedings.

➢ Financial penalties

- For art. 319-ter, paragraph 1, of the Criminal Code: from Euro 51,600.00 to Euro 929,400.00 (maximum applicable edict for the hypothesis provided for in the second paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of two hundred to six hundred shares may be imposed);
- For art. 319-ter, paragraph 2, of the Criminal Code: from Euro 77,400.00 to Euro 1,239,200.00 (maximum applicable for the hypothesis provided for in the third paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of a minimum of three hundred and up to a maximum of eight hundred shares may be imposed).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Undue inducement to give or promise benefits** (Article 319-quarter of the Criminal Code)

'Unless the act constitutes a more serious offence, a public official or person entrusted with a public service who, by abusing his position or powers, induces another person to improperly give or promise money or other benefits to him or to a third party shall be punished with imprisonment of between six years and ten years and six months.
In the cases referred to in the first paragraph, any person who gives or promises money or other benefits shall be punished with imprisonment of up to three years or with imprisonment of up to four years where the act offends the financial interests of the European Union and the damage or profit exceeds EUR 100 000.'

➢ Description of the offence

The offence arises in the event that the Company, in order to obtain an advantage in proceedings before the Public Administration, allows itself to be unduly induced to give immediately or to promise to give money or other benefits in the future to a public official or to a person in charge of a public service, or to a third party. It should be noted that the possible involvement – and consequent punishability – of a third party with respect to the Public Administration entails the greatest risks for the company, given that the provisions of Legislative Decree no. 231/2001 do not apply to the State, local public bodies, other non-economic public bodies, a circumstance that makes it less easy, but does not exclude it, the indictment of the Entity for the act of the public official or the person in charge of a public service. Example: an employee of the company, unduly induced by a public official who instructs a file at the request of interest to the company itself, gives or promises him a large sum of money, or gives or promises it to a third party.

➢ Financial penalty

From € 77,400.00 to € 1,239,200.00 (maximum applicable for the hypothesis provided for in the third paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of a minimum of three hundred and up to a maximum of eight hundred shares can be imposed).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;

- Prohibition of advertising goods or services.

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❖ **Corruption of a person in charge of a public service** (Article 320 of the Criminal Code)

'The provisions of Articles 318 and 319 shall also apply to a person in charge of a public service. In any event, the penalties shall be reduced by no more than one third.'

❖ **Penalties for the corruptor** (Article 321 of the Criminal Code)

'The penalties laid down in the first paragraph of Article 318, Article 319, Article 319a, Article 319b and Article 320 in relation to the above-mentioned cases in Articles 318 and 319 shall also apply to any person who gives or promises money or other benefits to a public official or person in charge of a public service.'

➢ Description of the offence

The penalties for corruption offences also apply to a person entrusted with a public service, as well as to a private individual who gives or promises money or other benefits to the public agent. Moreover, in the case of improper corruption, the public service officer will be punishable only if he is a civil servant.

➢ Financial penalty

From € 77,400.00 to € 1,239,200.00 (maximum applicable for the hypothesis provided for in the third paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of a minimum of three hundred and up to a maximum of eight hundred shares can be imposed).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Incitement to corruption** (Article 322 of the Criminal Code)

'*Any person who offers or promises money or other benefits not due to a public official or to a person entrusted with a public service for the performance of his duties or powers shall, if the offer or promise is not accepted, be subject to the penalty laid down in the first paragraph of Article 318, reduced by one third.*
If the offer or promise is made to induce a public official or a person in charge of a public service to omit or delay an act of his office, or to do an act contrary to his duties, the offender shall, if the offer or promise is not accepted, be subject to the penalty laid down in Article 319, reduced by one third.
The penalty referred to in the first paragraph shall apply to a public official or person in charge of a public service who solicits a promise or donation of money or other benefits for the performance of his duties or powers.

The penalty referred to in the second paragraph shall apply to a public official or person in charge of a public service who solicits a promise or donation of money for another benefit by a private individual for the purposes referred to in Article 319.'

➢ Description of the offence

The offence arises in the event that, in the presence of conduct aimed at corruption, the public official refuses the offer illegally made to him.

➢ Financial penalties

- For art. 322, paragraphs 1 and 3, of the Criminal Code: from Euro 25,800.00 to Euro 309,800.00 (maximum applicable for the hypothesis provided for in the first paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of up to two hundred shares may be imposed);
- For art. 322, paragraphs 2 and 4, of the Criminal Code: from Euro 51,600.00 to Euro 929,400.00 (maximum applicable for the hypothesis provided for in the second paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of a minimum of two hundred and up to a maximum of six hundred shares may be imposed).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Embezzlement, bribery, undue inducement to give or promise benefits, corruption and incitement to corruption, abuse of office of members of international courts or bodies of the European Union or of international parliamentary assemblies or international organizations and officials of the European Union and foreign States** (Article 322-bis of the Criminal Code)

'The provisions of Articles 314, 316, 317 to 320, the third and fourth paragraphs of 322 and 323 shall also apply:
(1) the members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;
(2) officials and other servants engaged under contract under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;
(3) persons seconded by the Member States or by any public or private body attached to the European Communities performing duties corresponding to those of officials or servants of the European Communities;
(4) members and employees of bodies established on the basis of the Treaties establishing the European Communities;

(5) persons who, within other Member States of the European Union, perform functions or activities corresponding to those of public officials and persons entrusted with a public service.
(5a) judges, prosecutors, assistant prosecutors, officials and servants of the International Criminal Court, persons seconded by States Parties to the Treaty establishing the International Criminal Court who perform functions corresponding to those of officials or servants of the International Criminal Court, and members and employees of bodies established on the basis of the Treaty establishing the International Criminal Court.
(5-ter) persons who perform functions or activities corresponding to those of public officials and persons in charge of a public service within international public organisations;
(5-quarter) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;
5-d) to persons who perform functions or activities corresponding to those of public officials and persons in charge of a public service within States outside the European Union, where the act offends the financial interests of the Union.
The provisions of the second paragraph of Articles 319c, 321 and 322, first and second paragraphs, shall apply even if the money or other benefit is given, offered or promised:
(1) the persons referred to in the first paragraph of this Article;
(2) persons who perform functions or activities corresponding to those of public officials and persons in charge of a public service within other foreign States or international public organisations.
The persons referred to in the first subparagraph shall be treated in the same way as public officials, where they perform corresponding functions, and as persons entrusted with a public service in other cases.'

- Description of the offence

The law provides that the provisions laid down for embezzlement, bribery, corruption and incitement to corruption apply not only when they are addressed to public officials and persons in charge of public service in the Italian public administration, but also when they are carried out towards members of international courts or bodies of the European Union or international parliamentary assemblies or international organizations and officials of the European Union and foreign countries.

- Financial penalty

From € 51,600.00 to € 1,239,200.00 (minimum and maximum edict respectively applicable for the hypothesis provided for in the first and third paragraphs of Article 25, Legislative Decree 231/2001, where an administrative fine of a minimum of two hundred and up to a maximum of eight hundred shares may be imposed).

- Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Abuse of office** (Article 323 of the Criminal Code)

'Unless the act constitutes a more serious offence, a public official or a person in charge of a public service who, in the performance of his duties or service, in breach of specific rules of conduct expressly laid down by law or by acts having the force of law and from which there is no margin of discretion, or by failing to abstain in the presence of his own interest or that of a close relative or in the other cases prescribed, intentionally procures an unfair financial advantage for himself or others or causes unjust damage to others, is punishable by imprisonment from one to four years.
The penalty shall be increased in cases where the advantage or damage is of a significant nature.'

➢ Description of the offence

Abuse of office is a crime precisely because it can only be committed by a public official or a person in charge of a public service, in the performance of his duties or service. However, private individuals can also contribute: on the basis of the traditional scheme of the complicity of persons in the crime, once the responsibility of the *intraneus has been demonstrated*, the complicity in the crime of the private individual who is the recipient of the benefits resulting from the abusive act can be configured, where he, through his conduct, has had a causally relevant role in the commission of the crime and provided that he was aware of the quality of the *intraneus*. In order for the private individual to participate in the crime of abuse of office, it is necessary to demonstrate that he or she has carried out an effective activity of instigation or facilitation with respect to the execution of the crime. The criminal relevance of the conduct is immediately verifiable: the contrary to laws or acts having the force of law. This is an event offence in that the agent procures an unfair financial advantage for himself or others or causes unfair damage to others. Intent is generic: it detects the violation of rules of conduct expressly provided for by law or by acts having the force of law, from which there is no margin of discretion for the acting subject.

➢ Financial penalty

From € 25,800.00 to € 309,800.00 (maximum applicable edict for the hypothesis provided for in the first paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of up to two hundred shares may be imposed);

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Trafficking in illicit influence** (Article 346-bis of the Criminal Code)

'Any person who, except in cases of complicity in the offences referred to in Articles 318, 319, 319b and in the offences of corruption referred to in Article 322a, exploits or

boasts of existing or alleged relationships with a public official or a person in charge of a public service or one of the other persons referred to in Article 322a, unduly causes to be given or promised, to himself or to others, money or other benefits, as the price of his illicit mediation with a public official or a person in charge of a public service or one of the other subjects referred to in Article 322 bis, or in order to remunerate him in relation to the exercise of his functions or powers, shall be punished with imprisonment from one year to four years and six months.
The same penalty applies to those who unduly give or promise money or other benefits.
The penalty is increased if the person who unduly causes money or other benefits to be given or promised to himself or to others is a public official or person in charge of a public service.
The penalties shall also be increased if the acts are committed in connection with the exercise of judicial activities, or to remunerate the public official or the person in charge of a public service or one of the other persons referred to in Article 322a in relation to the performance of an act contrary to official duties or the omission or delay of an act of his office.
If the offences are particularly minor, the penalty is reduced."

- Description of the offence

Illicit influence peddling is consummated by the giving or promise of money or other benefits, which may also be independent of its patrimonial value (e.g., sexual performance). Money or other benefits are, in the basic crime, the price of illicit mediation towards the public official, the person in charge of public service or one of the subjects referred to in art. 322-bis of the Criminal Code, i.e. remuneration for the exercise by one of them of his functions or powers. It should be noted that the bestowal or promise is not only related to the performance of an act contrary to official duties or to the omission or delay of an act of office, but also to acts that are committed in connection with the exercise of judicial activities. The law punishes, in addition to the mediator (1st paragraph), also the person who promises or gives the money or the benefit (2nd paragraph), regardless of whether the relationship between the mediator and the public official exists or not. 346-bis of the Criminal Code entails a new incrimination with respect to those who give or promise money or other benefits in exchange for a relationship boasted and asserted, but non-existent.

- Financial penalty

From € 25,800.00 to € 309,800.00 (maximum applicable edict for the hypothesis provided for in the first paragraph of Article 25, Legislative Decree 231/2001, where an administrative fine of up to two hundred shares may be imposed);

- Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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Relevant notes on crimes against the Public Administration

For the purposes of criminal law, a Public Administration Entity is considered to be any legal person that pursues and/or implements and manages public interests, including international courts, bodies of the European Union and international organizations, and that carries out legislative, judicial or administrative activities, governed by rules of public law and manifested itself through authorization acts.
The offence of bribery, the offence of corruption, the offence of undue inducement to give or promise benefits and the offence of trafficking in illicit influence presuppose the involvement not of all natural persons acting in the sphere of and in relation to those entities, but of those who, in particular, assume, for the purposes of criminal law, the qualification of "public official" and/or "person in charge of public service", in the sense attributed by art. 357 and 358 of the Criminal Code.
Pursuant to art. 357, paragraph 1 of the Criminal Code, a public official is considered to be a person who exercises "a legislative, judicial or administrative public function" ("public functions" are those administrative activities that respectively and alternatively constitute the exercise of: deliberative powers, authorization powers, certification powers); this provision defines a Public Official as one who exercises the powers related to his legislative, judicial or administrative public function. For the purposes of identifying the "Public Official" subject, it is not relevant that he or she is classified in the staff of a public office or the task performed in that body or office, but rather the ascertainment that the task actually performed is in fact an expression of a legislative, judicial or administrative public power and function.
In relation to the legislative public function, Public Officials will be all those who carry out activities aimed at the enactment of laws or acts having the force of law: the notion of Public Officials therefore includes the members of the Chamber of Deputies and the Senate of the Republic, the Government, the Regional Councils, the Provincial and Municipal Councils.
In relation to the judicial public function, Public Officials will be all those who carry out activities aimed at the application of laws and the implementation of justice: therefore, the notion of Public Officials includes ordinary or honorary, civil, criminal or administrative judges, all specialized judges, technical consultants, experts and interpreters, up to private individuals who are delegated by the Judicial Authority to perform judicial or administrative acts judicial or who are essentially in charge of collaborating with it (the judicial custodian, the bankruptcy trustee, the liquidator of a company, the liquidator in compulsory administrative liquidation or the extraordinary commissioner of the ordinary administration of large companies in crisis); On the other hand, arbitrators in ritual or non-ritual arbitrations do not perform a public judicial function.
In relation to the public administrative function, Public Officials will be all those who carry out activities governed by rules of public law, aimed at forming and manifesting the will of a public body and consisting in the exercise of an authoritative, certifying or deliberative power of the entity, through the adoption of an act or measure, binding or discretionary, responding to the legislative provision.
In other words, public officials in relation to the public administrative function are all those who have the power to adopt authoritative, certifying or deliberative acts addressed to private individuals and capable of affecting, positively or negatively, the requests, expectations or legal positions of the private individuals concerned.
Pursuant to art. 358 of the Criminal Code, "those who, for whatever reason, render a public service are entrusted with a public service. A public service must be understood as an activity regulated in the same ways as the public function, but characterized by the lack of the powers typical of the latter, and with the exclusion of the performance of simple tasks of order and the provision of purely material work". The discriminating

factor in determining whether or not a person is in charge of a public service is not the legal nature of the entity, but the functions entrusted to the entity, which must consist in the care of public interests or the satisfaction of needs in the general interest.
Any person, including a private person who is not necessarily part of the staff of a public structure, who receives and carries out, for an appreciable time and on behalf of a public administration, an activity governed by rules of public law or authoritative acts of the public administration itself, which is characterized by the performance of authoritative acts proper to the public administration, is in charge of a public service. but which does not consist of a merely material task or work and which does not even express authoritative or certifying powers of the Public Administration.
For example, the following are in charge of public service: employees of the State, Regions, Provinces and Municipalities who are not Public Officials and do not carry out tasks of order or merely material work, persons who work within municipal companies, members of the commission of a tender, employees who carry out the investigation of administrative practices, the custodian of the lying inheritance, and so on.
Corruption occurs when the parties, being on an equal footing with each other, enter into a real agreement, unlike bribery, which instead presupposes the exploitation by the public entity of his or her position of superiority, which corresponds to a situation of subjection in the private sector.
Undue inducement to give or promise benefits occurs when a public official or person in charge of a public service, abusing his position or powers, induces someone to give or promise money or other benefits unduly to him or to a third party. This case is in an intermediate position between bribery and corruption (a position, however, closer to corruption): the crime differs from bribery both in terms of the active subject (who can be, in addition to the public official, also the person in charge of public service), and in terms of the methods of obtaining or being promised money or other benefits (which in the criminal hypothesis in question, consists of mere induction), and for the provided punishability also of the person who gives or promises money or other benefits (as is the case for the crime of corruption).
In the facts of corruption and undue inducement to give or promise benefits, there are two distinct crimes: one committed by the corrupt person or who unduly induces to give or promise benefits, who has a public status, the other committed by the corruptor or by those who are unduly induced to give or promise benefits.
Illicit influence peddling manifests itself, with a view to anticipating the criminal design, in conducts instrumental to the realization of future illicit agreements, exploiting existing relationships with public officials or those in charge of public service. In this case, in addition to the two parties mentioned above, the third figure of the mediator is also relevant, whose advantage is constituted by the money or other benefit given or promised.

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Risky behaviors

The main risky behaviors identified for the crimes against the Public Administration listed above are:

- negotiation, stipulation, execution of contracts with public entities which are reached through negotiated procedures (direct award or private negotiation) or through public tenders (open or restricted);

- drafting and production of documents to the Public Administration certifying the existence of essential conditions for participating in tenders, obtaining licenses, authorizations, etc.;
- management of audits and inspections carried out by public bodies (e.g. Revenue Agency);
- management of civil, criminal or administrative litigation and debt collection;
- management of gifts, entertainment expenses, charities, sponsorships;
- recruitment of personnel belonging to protected categories or whose recruitment is facilitated;
- relations with social security and welfare institutions in general (with reference to all employees);
- relations with Public Security authorities (Carabinieri, State Police, Local Police, Guardia di Finanza);
- relations with local and regional authorities and the European Community.

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Obligations / Prohibitions of Conduct

All those who work on behalf of the company in contact with the Public Administration and Public Institutions are required to carry out their duties with integrity, independence, fairness and transparency. For them in particular:

It is mandatory to:

- authorize in advance and monitor any additional third parties involved in the activity;
- verify the presence of Politically Exposed Persons (or PEPs) as well as exponents and/or former employees of the Public Administration, both in the team and as consultants or facilitators;
- monitor the expense reports charged, either as a lump sum or at the bottom of the list;
- interrupt any interaction in the event of critical issues, anomalies and/or the emergence of suspicions in the conduct of relations with the counterparties involved in the activity;

It is forbidden to:

- allocate public contributions/subsidies/funding for purposes other than those for which they were obtained;
- show false or altered documents/data to the Public Administration;
- omit necessary information in order to guide the decisions of the Public Administration in its favour;
- request or induce the subjects of the Public Administration to treat them favourably;
- promise or make cash disbursements for purposes other than institutional and service purposes;
- incur unjustified entertainment expenses for purposes other than the mere promotion of the company's image;
- promise or grant gifts/gifts of no modest value (see Code of Conduct);
- make payments of increased fees to lawyers or other parties involved in legal representation processes of the company, in order to constitute funds for corrupt conduct;

- adopt conduct contrary to the law and the Code of Conduct, at all stages of the procedure, including through external professionals and third parties, to unduly favour the interests of the company vis-à-vis the Public Administration;
- promise or grant sums of money, gifts, free services or advantages and benefits of any kind to public officials or persons in charge of public service in order to promote the interests of the company;
- promise or grant sums of money, gifts, free services or advantages and benefits of any kind to relatives or relatives within the second degree of public officials or persons in charge of public service, in order to promote the interests of society;
- promise or grant to third parties sums of money, gifts, free services or advantages and benefits of any kind for which it is known, or in any case reasonably evident, the sharing with public officials or persons in charge of public service, in order to promote the interests of the company;
- engage in misleading conduct that may mislead the Public Administration in the technical-economic evaluation of the products and services offered/supplied.

The company's organizational system must comply with the fundamental requirements of formalization and clarity, communication of roles and, in particular, with regard to the assignment of responsibilities, representation, definition of hierarchical lines and operational activities. The company's organizational tools (organizational charts, function charts, organizational communications, procedures, etc.) must be based on the general principles of:

- knowledge within the Company (and possibly also with respect to the other companies of the Group);
- clear and formal delimitation of roles with a complete description of the tasks of each function and its powers;
- clear description of the reporting lines (information flows, including those to the Supervisory Body pursuant to Legislative Decree 231/2001).

The Supervisory Body periodically verifies, with the support of the other competent functions, the system of proxies/powers of attorney in force and their consistency with the system of organizational communications (*i.e.* those internal documents of the company with which the proxies are conferred), recommending changes in the event that the management power and/or the qualification does not correspond to the powers of representation conferred on the attorney or there are other anomalies.

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9.2. Corporate crimes (Article 25-ter of Legislative Decree 231/2001)

Article 25-ter of Legislative Decree 231/2001 – Corporate Crimes [Article added by Legislative Decree 61/2002, amended by Law 190/2012, Law 69/2015, Legislative Decree 38/2017 and subsequently by Legislative Decree 19/2023]

'1. In relation to company offences provided for in the Civil Code or other special laws, the following financial penalties shall apply to the entity:
a) for the offence of false corporate communications provided for in Article 2621 of the Civil Code, a fine of between two hundred and four hundred shares;
a-bis) for the crime of false corporate communications provided for in Article 2621-bis of the Civil Code, a fine of one hundred to two hundred shares;
b) for the offence of false corporate communications provided for in Article 2622 of the Civil Code, a fine of between four hundred and six hundred shares;

d) for the offence of falsification of the prospectus, provided for in the first paragraph of Article 2623 of the Civil Code, the pecuniary sanction of one hundred to one hundred and thirty shares [N.B.: Article 2623 of the Italian Civil Code was repealed by Article 34, paragraph 2, of Law no. 62 of 28 December 2005]*;*
e) for the offence of falsifying a prospectus, provided for in Article 2623, second paragraph, of the Civil Code, the pecuniary sanction of two hundred to three hundred and thirty shares [N.B.: Article 2623 of the Italian Civil Code was repealed by Article 34, paragraph 2, of Law No 62 of 28 December 2005];
f) for the contravention of falsehoods in the reports or communications of the auditing firms, provided for in Article 2624, first paragraph, of the Civil Code, the pecuniary sanction of one hundred to one hundred and thirty shares [N.B.: Article 2624 of the Italian Civil Code was repealed by Article 37, paragraph 34, of Legislative Decree no. 39 of 27 January 2010];
g) for the crime of falsity in the reports or communications of the auditing firms, provided for in Article 2624, second paragraph, of the Civil Code, the pecuniary sanction of two hundred to four hundred shares [N.B.: Article 2624 of the Italian Civil Code was repealed by Article 37, paragraph 34, of Legislative Decree no. 39 of 27 January 2010];
(h) for the offence of obstruction of control, as provided for in the second paragraph of Article 2625 of the Civil Code, a fine of between one hundred and one hundred and eighty shares;
(i) for the offence of fictitious capital formation, provided for in Article 2632 of the Civil Code, a fine of between one hundred and one hundred and eighty shares;
l) for the offence of undue restitution of contributions, provided for in Article 2626 of the Civil Code, a fine of between one hundred and one hundred and eighty shares;
(m) for the offence of unlawful distribution of profits and reserves, as provided for in Article 2627 of the Civil Code, a fine of between one hundred and one hundred and thirty shares;
(n) for the offence of unlawful transactions on the shares or shares of the company or of the parent company, as provided for in Article 2628 of the Civil Code, a fine of between one hundred and one hundred and eighty shares;
(o) for the offence of transactions to the detriment of creditors, as provided for in Article 2629 of the Civil Code, a fine of between one hundred and fifty and three hundred and thirty shares;
p) for the crime of undue distribution of the company's assets by the liquidators, provided for in Article 2633 of the Civil Code, a fine of between one hundred and fifty and three hundred and thirty shares;
q) for the crime of unlawful influence on the shareholders' meeting, provided for in Article 2636 of the Civil Code, a fine of one hundred and fifty to three hundred and thirty shares;
r) for the crime of rigging provided for in Article 2637 of the Civil Code and for the crime of failure to communicate the conflict of interest provided for in Article 2629-bis of the Civil Code, a fine of between two hundred and five hundred shares;
(s) for offences of obstruction of the exercise of the functions of the public supervisory authorities, as provided for in the first and second paragraphs of Article 2638 of the Civil Code, a fine of between two hundred and four hundred shares;
s-bis) for the crime of corruption between private individuals, in the cases provided for in the third paragraph of Article 2635 of the Civil Code, the pecuniary sanction of four hundred to six hundred shares and, in the cases of instigation referred to in the first paragraph of Article 2635-bis of the Civil Code, the pecuniary sanction of two hundred to four hundred shares. The disqualification sanctions provided for in Article 9,

paragraph 2 shall also apply; (s-b) for the offence of false or omitted declarations for the issuance of the preliminary certificate provided for in the legislation implementing Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019, a fine of one hundred and fifty to three hundred shares;
2. If, as a result of the commission of the offences referred to in paragraph 1, the entity has made a significant profit, the financial penalty shall be increased by one third.'

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- **False corporate communications** (Article 2621 of the Italian Civil Code)

'Except in the cases provided for in Art. 2622, directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators, who, in order to obtain an unfair profit for themselves or for others, knowingly present material facts that are not true or omit material facts whose disclosure is required by law in the financial statements, reports or other corporate communications addressed to shareholders or the public, knowingly expose material facts that do not correspond to the truth or omit material material facts whose disclosure is required by law on the economic, equity or financial situation of the company or group to which it belongs, in a manner specifically likely to mislead others, shall be punished with imprisonment of between one and five years.
The same penalty shall also apply where the falsehoods or omissions relate to property owned or administered by the company on behalf of a third party.'

- Description of the offence

The crime of false accounting is perfected when the false corporate communication leaves the sphere of the "active" subject and becomes knowable by the recipients (shareholders or third parties). In particular, with regard to the financial statements, the moment in which the offence is triggered is to be identified with that of the filing of the financial statements at the company's registered office pursuant to Article 2429, third paragraph, of the Civil Code. Liability also applies if the information relates to assets owned or managed by the company on behalf of third parties. Criminal penalties shall be imposed as a result of the knowingly presentation of material facts that do not correspond to the truth or the omission of material facts the disclosure of which is required by law on the economic, equity or financial situation of the company or of the group to which it belongs, in a manner specifically liable to mislead others, if it is carried out with the intention of deceiving shareholders or the public, in order to obtain an unfair profit for oneself or on behalf of others. For both listed and unlisted companies, the conduct of exposing or omitting material facts that do not correspond to the truth must be concretely capable of misleading others. These crimes, therefore, are crimes of danger and not of damage, as it is not necessary to prove the actual damage resulting from unlawful accounting conduct. Active subjects of false accounting are those who carry out the typical activities related to the accounting documentation of the company for which they work: directors, general managers, managers in charge of preparing the company's accounting documents, statutory auditors and liquidators. For the purposes of criminal liability, the offender must also carry out his or her duties functionally. The "active" subjects also include de facto managers, i.e. those who, even in the absence of a formal appointment, exercise the typical powers of a precise qualification, in a continuous and significant way. For there to be unlawful conduct, there must be the conscious exposure of material facts that do not correspond to the truth, in such a way as to mislead others, shareholders or third parties. For unlisted companies, where false accounting is committed if the material facts that do not

correspond to the truth, whether presented or omitted, are "material", or likely to mislead others, the problem of the certainty of the case arises. In fact, since quantitative thresholds are not taken as a reference, as was provided for in the previous wording of the rule, it is the judge who must establish whether or not the fact or omission was relevant, thus opening up wide margins of discretion and future jurisprudence that will be created. In practice, the courts are called upon to take a concrete approach to individual cases, taking into account the nature and size of the company, the manner or effects of the conduct.

❖ **Minor offences** (Article 2621-bis of the Italian Civil Code)

'*Unless they constitute a more serious offence, a penalty of between six months and three years' imprisonment shall be imposed if the offences referred to in Article 2621 are minor, having regard to the nature and size of the company and the manner or effects of the conduct.*

Unless they constitute a more serious offence, the same penalty as in the preceding paragraph shall apply where the acts referred to in Article 2621 concern companies which do not exceed the limits laid down in the second paragraph of Article 1 of Royal Decree No 267 of 16 March 1942. In such a case, the offence may be prosecuted by the company, the shareholders, the creditors or the other addressees of the company's communication.'

❖ **Not punishable for particular tenuousness** (art. 2621-ter of the Italian Civil Code)

'*For the purposes of exemption from being punishable for the particular tenuousness of the act, as referred to in art. 131-bis of the Criminal Code, the judge assesses, predominantly, the extent of any damage caused to the company, shareholders or creditors resulting from the facts referred to in Articles 2621 and 2621-bis*'

➢ <u>Financial penalty</u>

- For art. 2621 of the Italian Civil Code: from Euro 51,600.00 to Euro 619,600.00 (if the entity has made a significant profit, the fine is increased by one third);
- For Article 2621-bis of the Italian Civil Code (Minor offences): from €25,800.00 to €51,600.00 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

❖ **False corporate communications of listed companies** (Article 2622 of the Italian Civil Code)

'*Directors, general managers, managers responsible for preparing corporate financial reports, statutory auditors and liquidators of companies issuing financial instruments admitted to trading on a regulated market in Italy or in another country of the European Union, who, in order to obtain an unfair profit for themselves or for others, knowingly set out facts in their financial statements, reports or other corporate communications addressed to shareholders or the public Materials that do not correspond to the truth or omit material facts whose disclosure is required by law on the economic, equity or financial situation of the company or group to which it belongs, in a manner concretely likely to mislead others, are punishable by imprisonment from three to eight years.*

The companies referred to in the previous paragraph shall be treated in the same way as:

1) companies issuing financial instruments for which a request for admission to trading on a regulated market in Italy or another country of the European Union has been submitted;

(2) companies issuing financial instruments admitted to trading on an Italian multilateral trading facility;

3) companies that control companies issuing financial instruments admitted to trading on a regulated market in Italy or in another country of the European Union;

4) companies that call on public savings or otherwise manage them. The provisions of the preceding paragraphs shall apply even if the falsehoods or omissions relate to property owned or administered by the company on behalf of third parties.'

➢ Financial penalty

From €103,200.00 to €929,400.00 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

❖ **Impeded control** (Article 2625 of the Italian Civil Code, amended by Legislative Decree no. 39 of 27 January 2010)

'Directors who, by concealing documents or by other appropriate artifices, prevent or in any case obstruct the performance of the control activities legally attributed to shareholders or other corporate bodies, shall be punished with an administrative fine of up to EUR 10 329.
If the conduct has caused damage to the members, imprisonment of up to one year is applied and a complaint is filed against the injured party.
The penalty shall be doubled in the case of companies whose securities are listed on regulated markets in Italy or in other Member States of the European Union or which are widely distributed to the public pursuant to Article 116 of the consolidated law referred to in Legislative Decree No 58 of 24 February 1998.'

➢ Description of the offence

The offence consists in obstructing or preventing the performance of control activities legally attributed to shareholders or other corporate bodies through the concealment of documents or other suitable artifices. The offence, which is attributable exclusively to the directors, can only result in the liability of the Entity in the event that the conduct has caused damage. More precisely, these are the activities that influence the shareholder control initiatives provided for by the Civil Code and other regulatory acts, such as art. 2422 of the Italian Civil Code, which provides for the right of shareholders to inspect the company's books; on the control activities of the Board of Statutory Auditors, provided for by the Italian Civil Code and other regulatory provisions, such as art. 2403 and 2403-bis, which provide for the power of the members of the Board of Statutory Auditors to carry out inspections and controls and to request information from the directors on the progress of corporate transactions or certain business, the impeded control of auditing firms is now governed by art. 29 ("Impeded control") of Legislative Decree no. 39/2010.

➢ Financial penalty

From € 25,800.00 to € 278,820.00 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

- **Undue restitution of contributions** (Article 2626 of the Italian Civil Code)

'A director who, except in cases of lawful reduction of the share capital, repays, even simulatedly, contributions to the shareholders or releases them from the obligation to execute them, shall be punished with imprisonment of up to one year.'

- Description of the offence

This offence consists in proceeding, except in cases of legitimate reduction of the share capital, to the restitution, even simulated, of the contributions to the shareholders or to the release of the same from the obligation to execute them. Only directors can be active subjects of the crime, without prejudice to the possibility of punishing, by way of possible complicity pursuant to art. 110 of the Criminal Code, including shareholders who have instigated or determined the unlawful conduct of directors.

- Financial penalty

From € 25,800.00 to € 278,820.00 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

- **Unlawful distribution of profits and reserves** (Article 2627 of the Italian Civil Code)

'*Unless the act constitutes a more serious offence, directors who allocate profits or advances on profits not actually earned or which are legally allocated to reserves, or who allocate reserves, whether or not made up of profits, which cannot be distributed by law, shall be punished with imprisonment for a term not exceeding one year.*
The restitution of profits or the replenishment of reserves before the deadline for the approval of the financial statements shall extinguish the offence.'

- Description of the offence

This offence consists of the distribution of profits (or advances on profits) not actually earned or allocated by law to reserves, or the distribution of reserves (even if not constituted with profits) that cannot be distributed by law. It should be noted that the restitution of profits or the replenishment of reserves before the deadline for the approval of the financial statements extinguishes the offence. The active subjects of the crime are the directors with whom they may possibly respond, pursuant to art. 110 of the Criminal Code, including shareholders who have instigated or determined the unlawful conduct of directors.

- Financial penalty

From €25,800.00 to €201,370.00 (if the entity has made a significant profit, the penalty is increased by one third).

*** *** ***

- **Unlawful transactions on the shares or shares of the parent company** (Article 2628 of the Italian Civil Code)

'*A director who, except in the cases permitted by law, acquires or subscribes to shares or quotas, thereby causing damage to the integrity of the share capital or reserves which cannot be distributed by law, shall be liable to imprisonment for a term not exceeding one year.*
The same penalty applies to directors who, except in cases permitted by law, purchase or subscribe to shares or quotas issued by the parent company, causing an injury to the share capital or reserves that cannot be distributed by law.
If the share capital or reserves are replenished before the deadline for the approval of the financial statements for the financial year in respect of which the conduct was committed, the offence shall be extinguished.'

➢ Description of the offence

The case punishes directors who, outside the cases permitted by law, purchase or subscribe to shares or shares, causing damage to the integrity of the share capital or reserves that cannot be distributed by law, or, except in cases permitted by law, purchase or subscribe to shares or quotas issued by the parent company, causing an injury to the share capital or reserves that cannot be distributed by law. The law also provides for a ground for exclusion from punishability in the event that the share capital or reserves are replenished before the deadline set for the approval of the financial statements relating to the year in relation to which the conduct was carried out.

➢ Financial penalty

From €25,800 to €278,820.00 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

❖ **Transactions to the detriment of creditors** (Article 2629 of the Italian Civil Code)

'*Directors who, in breach of the provisions of law for the protection of creditors, reduce their share capital or merge with another company or depart thereby causing damage to creditors, shall be punished, on complaint by the injured party, with imprisonment of between six months and three years*.'

➢ Description of the offence

The incriminating case in question is integrated when false news is disseminated or simulated transactions or other artifices are carried out, concretely capable of causing a significant alteration in the price of unlisted financial instruments or for which a request for admission to trading on a regulated market has not been submitted, or of significantly affecting the confidence that the consumer public places in stability assets of banks or banking groups (imprisonment of one to five years).

A fine of one hundred and fifty to three hundred and thirty shares is applied to the entity.

➢ Financial penalty

From €38,700.00 to €511,170 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

❖ **Failure to disclose the conflict of interest** (Article 2629-bis *of the* Italian Civil Code, added by Law 262/2005)

'The director or member of the management board of a company whose securities are listed on regulated markets in Italy or in another Member State of the European Union or which are widely distributed to the public pursuant to Article 116 of the consolidated law referred to in Legislative Decree No 58 of 24 February 1998, as amended, or of a person subject to supervision pursuant to the consolidated law referred to in Legislative Decree 1 September 1993, No 385 of the aforementioned consolidated text referred to in Legislative Decree No 58/1998, Law No 576 of 12 August 1982 or Legislative Decree No 124 of 21 April 1993, which infringes the obligations laid down in the first paragraph of Article 2391, shall be punished with imprisonment of between one and three years, if the breach has resulted in damage to the company or to third parties'

➢ Description of the offence

This offence is committed when the director or member of the Management Board (in the event that the two-tier system is adopted) of a company with securities listed on an Italian or European Union regulated market or significantly disseminated among the public, or subject to supervision, pursuant to the Consolidated Banking Act (TUB), the Consolidated Law on Financial Intermediation or the rules governing insurance activities or supplementary pension schemes, does not communicate, in the forms and terms provided for by art. 2391 of the Italian Civil Code, to the body in which he/she participates or to the company and in any case to the board of statutory auditors, the interest that, on his/her own behalf or on behalf of third parties, he/she has in a specific transaction of the company in question, or if it is a managing director who does not abstain from the transaction, thus causing damage to the company or to third parties.

A fine of two hundred to five hundred shares is expected to be applied to the entity.

➢ Financial penalty

From €51,600 to €774,500 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

❖ **Fictitious capital formation** (Article 2632 of the Italian Civil Code)

'Directors and contributing shareholders who, in whole or in part, form or increase the share capital fictitiously by allocating shares or quotas in excess of the total amount of the share capital, mutual subscription of shares or quotas, significant overvaluation of contributions of assets in kind or receivables or of the company's assets in the event of conversion, shall be punished with imprisonment of up to one year'

➢ Description of the offence

This hypothesis of crime is supplemented by the following conducts:

- Fictitious formation or increase of the share capital through the allocation of shares or company quotas for a sum less than their nominal value;
- Reciprocal subscription of shares or quotas;
- Significant overvaluation of contributions of assets in kind, receivables, or of the Company's assets in the event of transformation.

➢ Financial penalty

From €51,600.00 to €557,640.00 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

- **Undue distribution of the company's assets by the liquidators** (Article 2633 of the Italian Civil Code)

'*Liquidators who, by distributing the company's assets among the shareholders before the company creditors are paid or the sums necessary to satisfy them, cause damage to creditors shall be punished, on complaint by the injured party, by imprisonment of between six months and three years. Compensation for damage to creditors before trial extinguishes the offence*'

➢ Description of the offence

The case in question is supplemented by the conduct of the liquidators who, by distributing the company's assets among the shareholders before the payment of the company's creditors or the provision of the sums necessary to satisfy them, cause damage to the creditors (imprisonment from months to three years). A fine of one hundred and fifty to three hundred and thirty shares shall be applied to the entity. It should be noted that compensation for damages to creditors before judgment extinguishes the crime.

➢ Administrative fine

From €38,700.00 to €511,170 (if the entity has made a significant profit, the fine is increased by one third).

*** *** ***

- **Corruption between private individuals** (Article 2635 of the Italian Civil Code)

'*Unless the act constitutes a more serious offence, directors, general managers, managers responsible for preparing the company's financial reports, statutory auditors and liquidators of companies or private entities who, even through an intermediary, solicit or receive, for themselves or for others, money or other benefits that are not due, or accept the promise thereof, for performing or omitting an act in violation of the obligations inherent in their office or the obligations of loyalty, they shall be punished with imprisonment from one to three years. The same penalty applies if the act is committed by those who, within the organizational framework of the company or private entity, exercise managerial functions other than those of the persons referred to in the previous sentence.*

The penalty shall be imprisonment of up to one year and six months if the offence is committed by a person under the direction or supervision of one of the persons referred to in the first paragraph.

Any person who, even through an intermediary, offers, promises or gives money or other benefits not due to the persons referred to in the first and second paragraphs shall be punished with the penalties provided for therein.

The penalties set out in the preceding paragraphs shall be doubled in the case of companies whose securities are listed on regulated markets in Italy or in other Member States of the European Union or which are widely circulated among the public pursuant to Article 116 of the Consolidated Law on Financial Intermediation, pursuant to Legislative Decree of 24 February 1998, No. 58, as amended.

Without prejudice to the provisions of Article 2641, the amount of confiscation of equivalent value shall not be less than the value of the benefits given, promised or offered.'

❖ **Incitement to corruption between private individuals** (Article 2635-bis of the Italian Civil Code)

'Any person who offers or promises money or other benefits not due to directors, general managers, managers responsible for preparing the company's financial reports, statutory auditors and liquidators, of companies or private entities, as well as to those who carry out a work activity in them in the exercise of managerial functions, in order to perform or omit an act in breach of the obligations inherent in their office or the obligations of loyalty, If the offer or promise is not accepted, he shall be subject to the penalty laid down in the first paragraph of Article 2635, reduced by one third. The penalty referred to in the first paragraph shall apply to directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators, of companies or private entities, as well as to those who carry out work in them with the exercise of managerial functions, which they solicit for themselves or for others, even through an intermediary, a promise or giving of money or other benefit, to perform or omit an act in breach of the obligations inherent in their office or the obligations of loyalty, if the solicitation is not accepted'.

❖ **Accessory penalties** (art. 2635-ter of the Italian Civil Code)

'A conviction for the offence referred to in the first paragraph of Article 2635 shall in any event entail temporary disqualification from the management offices of the legal persons and undertakings referred to in Article 32a of the Criminal Code in respect of a person who has already been convicted of the same offence or of the offence referred to in the second paragraph of Article 2635a.'

➢ Description of offences

The criminal relevance of "corruption between private individuals" was introduced by Law 190/2012 and further defined by Legislative Decree no. 38 of 15 March 2017, which also introduced the crime of "instigation to corruption between private individuals". The regulatory framework moves on a double track:

- from an active point of view, it sanctions those who offer or promise money to a person within the institution;
- From a passive point of view, it punishes the internal subject who solicits a promise or a donation of money to do or omit an act in violation of his obligations.

From 31 January 2019, these offences can be prosecuted ex officio. The "private individuals" affected by the rule are only those who operate in the corporate sphere, an area that is therefore grafted onto a case coming from other criminal sectors: the correctness of conduct and corporate relations, the protection of competition, transparency, and even business ethics constitute significant and relevant legal assets to provide for a specific hypothesis, where infidelity ("nomen iuris" in the rubric of the old text of Article 2635 of the Civil Code) now assumes the connotations of corruption and incitement to corruption. Corruption between private individuals is a multi-subjective crime with a necessary concurrence, exactly according to the scheme of corruption (Article 319 of the Criminal Code) but limited to the case in which the solicitation, acceptance of the promise or bestowal is prior to the performance or omission contrary to the obligations imposed by the function: the nature of the crime is the corrupt agreement in violation of the obligations inherent in the office held or the obligations of loyalty. The offence is a mere offence, i.e. without the foresight of an event of damage. Since the risk of corruption is not limited to top figures, since cases

of infidelity can also occur in hierarchically inferior figures, the law, and so also this Organizational Model, provides for the following active subjects:

- at top level: directors, general managers, managers in charge of preparing corporate documents, statutory auditors and liquidators, as well as those who exercise managerial functions other than these;
- at a subordinate hierarchical level: anyone who is subject to the direction or supervision of one of the top management persons who, even through an intermediary: "solicit or receive, for themselves or for others, money or other benefits that are not due, or accept the promise thereof in the performance and/or omission of acts in violation of the obligations inherent in the office to which they are assigned, as well as in failing to comply with the obligations of loyalty that the office held entails" "give or promise money or other benefits to directors, general managers, managers in charge of preparing financial reports, auditors and liquidators, as well as to those who exercise managerial functions other than these."

The crime of incitement to corruption between private individuals (Article 2635-bis of the Civil Code) involves:

- from an active point of view, anyone who offers or promises money or other benefits not due to an internal person (directors, general managers, managers in charge of preparing corporate documents, statutory auditors and liquidators, those who exercise managerial functions other than these, as well as those who are subject to the management or supervision of one of the top management) for the purpose of performing or omitting acts in violation of the obligations inherent in their office or of the loyalty obligations, if the offer or promise is not accepted;
- passively, the person who solicits a promise or donation of money or other benefits, for the purpose of performing or omitting acts in violation of the same obligations, if such proposal is not accepted.

The liability referred to in Legislative Decree 231/2001 for the crimes described above applies to the "corrupting party" and/or instigating corruption (and not to the corrupt and/or instigated one), as only this company can benefit from the corrupt conduct. In relation to this type of crime, the following constitute "sensitive" activities for society:

- the incentive system for employees/managers, with a focus on sales management;
- participation in tenders and tenders;
- procurement and purchasing;
- giveaways and sponsorships;
- personnel selection;
- the management of expense reports.

➢ <u>Financial penalties</u>

- For the offence referred to in art. 2635, paragraph 3, of the Italian Civil Code: from Euro 103,200.00 to Euro 929,400.00;
- For the offence referred to in art. 2635-bis, paragraph 1, of the Italian Civil Code: from Euro 51,600.00 to Euro 619,600.00.

➢ <u>Disqualification sanctions</u>

- Disqualification from carrying out the activity;

- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

*** *** ***

❖ **Unlawful influence on the shareholders' meeting** (Article 2636 of the Italian Civil Code)

'Any person who, by simulated or fraudulent acts, determines the majority in the assembly, with the aim of procuring an unjust profit for himself or others, shall be punished with imprisonment of between six months and three years.'

➢ Description of the offence

The crime is committed when the majority in the assembly is determined by simulated acts or fraud, with the aim of obtaining, for oneself or for others, an unfair profit. The rule aims to prevent fraudulent conduct (such as, for example, the fictitious transfer of shares to a trusted person in order to obtain their vote at the shareholders' meeting or the fictitious subscription of a loan with pledge of the shares, so as to allow the pledgee creditor to exercise the right to vote at the shareholders' meeting) from illegitimately influencing the formation of the majority at the shareholders' meeting.

➢ Financial penalty

From € 51,600.00 to € 619,600.00. (If the institution has made a significant profit, the financial penalty is increased by one third).

*** *** ***

❖ **False or omitted declarations for the issuance of the preliminary certificate** (art. 54 Legislative Decree No. 19/2023)

'Any person who, in order to make it appear that the conditions for issuing the preliminary certificate referred to in Article 29 have been fulfilled, who produces documents which are wholly or partly false, alters true documents, makes false statements or omits relevant information, shall be liable to imprisonment of between six months and three years.

If sentenced to a sentence of not less than eight months' imprisonment, the additional penalty referred to in Article 32-bis of the Criminal Code shall follow.'

➢ Description of the offence

The crime is committed through the creation of false documents, the alteration of real documents, the presentation of false declarations, or the omission of relevant information. For the purposes of punishing the act, it is necessary that the conduct is aimed at making the conditions for the issuance of the preliminary certificate referred to in art. 29 of Legislative Decree 19/2023 (meaning the deed issued by the notary certifying the fulfilment of the acts and formalities prior to the implementation of a cross-border merger).

Financial penalty

From € 51,600.00 to € 619,600.00. (If the institution has made a significant profit, the financial penalty is increased by one third).

*** *** ***

Risky behaviors

- preparation of the financial statements and transmission by the individual business areas of the related accounting data for the purpose of its preparation;
- management of relations with corporate bodies and shareholders in the exercise of the powers of control conferred on them by law. Drafting, keeping and storing documents over which they may exercise control;
- carrying out activities related to the resolutions of the administrative body concerning economic and financial aspects; management of activities instrumental to the convocation and resolution of the Shareholders' Meeting;
- preparation of deeds and documents to be presented to the Shareholders' Meeting;
- management of the sales process, with particular reference to authorization powers, the definition of prices, conditions, discounts and payment times;
- management of commercial agreements and business partnerships;
- the incentive system for employees/managers, with a particular focus on sales management;
- participation in tenders and tenders (contractual terms, prices and discounts);
- procurement and purchasing;
- giveaways and sponsorships;
- personnel selection;
- management of expense reports.

*** *** ***

Obligations of conduct

The company's organizational system must comply with the fundamental requirements of formalization and clarity, communication of roles, and in particular, with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities. The company's organizational tools (organizational charts, function charts, organizational communications, procedures, etc.) must be based on general principles of:

- knowledge within the Company (and possibly also with respect to the other companies of the Group);
- clear and formal delimitation of roles, with a complete description of the tasks of each function and its powers.

The Supervisory Body periodically verifies, with the support of the other competent functions, the powers of attorney in force and the consistency with the organizational communications system.

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9.3. Crimes against industry and commerce

Art. 25-bis.1. Legislative Decree no. 231/2001 – Crimes against industry and commerce [article added by Law no. 99/2009]

'In connection with the commission of offences against industry and commerce provided for in the Criminal Code, the following financial penalties shall apply to the entity:
- *for the offences referred to in Articles 513, 515, 516, 517, 517-ter and 517-quarter, a fine of up to five hundred shares;*
- *for the offences referred to in Articles 513-bis and 514, a fine of up to eight hundred shares.*

In the event of conviction for the offences referred to in paragraph 1(b), the disqualification penalties provided for in Article 9(2) shall apply to the entity.'

*** *** ***

❖ **Disturbed freedom of industry or commerce (Article 513 of the Criminal Code)**

'Any person who uses violence against property or fraudulent means to impede or disturb the exercise of an industry or trade shall be punished, on complaint by the injured party, if the act does not constitute a more serious offence, by imprisonment of not more than two years and a fine of between EUR 103 and EUR 1 032.'

➢ Financial penalty

From €25,800.00 to €774,500.00.

*** *** ***

❖ **Unlawful competition with threat or violence (Article 513-bis of the Criminal Code)**

'Any person who, in the exercise of a commercial, industrial or otherwise productive activity, commits acts of competition by means of violence or threat shall be liable to imprisonment of between two and six years.
The penalty shall be increased if the acts of competition relate to a financial activity wholly or in part and in any way whatsoever by the State or other public bodies.'

➢ Financial penalty

From €25,800.00 to €1,239,200.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime; Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

*** *** ***

❖ **Fraud in the exercise of commerce (Article 515 of the Criminal Code)**

'Any person who, in the course of a commercial activity, or in a shop open to the public, delivers to the purchaser one movable item for another, or a movable item, in origin, provenance, quality or quantity, other than that declared or agreed, shall be punished,

if the act does not constitute a more serious offence, by imprisonment of up to two years or by a fine of up to EUR 2 065.
In the case of valuables, the penalty shall be imprisonment for a term not exceeding three years or a fine of not less than EUR 103.'

➢ Financial penalty

from 25,800.00 to 774,500.00 Euros.

*** *** ***

❖ **Sale of non-genuine foodstuffs as genuine (Article 516 of the Criminal Code)**

Anyone who sells or otherwise markets non-genuine foodstuffs as genuine is punished with imprisonment of up to six months or a fine of up to €1,032.

➢ Financial penalty

from 25,800.00 to 774,500.00 Euros.

*** *** ***

❖ **Sale of industrial products with false signs (Article 517 of the Criminal Code).**

Anyone who sells or otherwise puts into circulation intellectual works or industrial products, with national or foreign names, trademarks or distinctive signs, capable of misleading the buyer as to the origin, provenance or quality of the work or product, shall be punished, if the fact is not provided for as a crime by another provision of law, with imprisonment of up to one year or a fine of up to twenty thousand euros.

➢ Financial penalty

from 25,800.00 to 774,500.00 Euros.

*** *** ***

❖ **Manufacture and trade of goods made by usurping industrial property rights (Article 517-ter of the Criminal Code)**

Without prejudice to the application of articles 473 and 474, anyone who, being aware of the existence of the industrial property right, manufactures or industrially uses objects or other goods made by usurping an industrial property right or in violation of the same shall be punished, on complaint of the injured party, with imprisonment of up to two years and a fine of up to € 20,000.
The same penalty shall apply to any person who, in order to make a profit, introduces into the territory of the State, holds for sale, offers for sale by direct offer to consumers or otherwise puts into circulation the goods referred to in the first paragraph.
The provisions of Articles 474-bis, 474-ter, second paragraph, and 517-bis, second paragraph, shall apply.
The offences referred to in the first and second paragraphs shall be punishable provided that the provisions of national laws, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with.

➢ Financial penalty

from 25,800.00 to 774,500.00 Euros.

*** *** ***

❖ **Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517-quarter of the Criminal Code)**

Anyone who counterfeits or otherwise alters geographical indications or designations of origin of agri-food products is punished with imprisonment of up to two years and a fine of up to €20,000
The same penalty applies to anyone who, in order to make a profit, introduces into the territory of the State, holds for sale, offers for sale with a direct offer to consumers or otherwise puts into circulation the same products with counterfeit indications or names.
The provisions of Articles 474-bis, 474-ter, second paragraph, and 517-bis, second paragraph, shall apply.
The offences referred to in the first and second paragraphs shall be punishable provided that the provisions of national laws, EU regulations and international conventions on the protection of geographical indications and designations of origin of agri-food products have been complied with.

➢ Financial penalty

from 25,800.00 to 774,500.00 Euros.

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➢ Description of offences

The offences referred to in Article 25-bis.1 of Legislative Decree 231/2001 relevant to the Company relate to two main cases: *(i)* that of anti-competitive conduct and/or to the detriment of other industries and trades; *(ii)* fraud in the sale of non-genuine goods/products or with counterfeit indications/trademarks.

These are crimes that, with the exception of art. 513-bis of the Criminal Code (which also entails the application of disqualification measures), provide for a sanctioning treatment in terms of a pecuniary penalty only but which in any case have a particular harmful potential for the company from the point of view of (i) the ability to generate significant damage to the image and/or (ii) the ability to set the conditions for the occurrence of more serious harmful events (this is the case, for example, the conduct of selling non-genuine foodstuffs, which is precisely capable of endangering the health of consumers).

Risky behaviors

With reference to this risk area, the following should be noted:

- Activities that have the potential to have a negative impact on actual or potential competitors, if committed with threat or violence by the Company's personnel;
- Any activity, by company representatives of any level, that results in an arbitrary disturbance/impediment to the commercial activity of other subjects;
- The procurement, administration of food and/or marketing of products;
- The purchase and/or importation of products for the purpose of subsequent use or marketing within the scope of the company's business.

Obligations of conduct

The Company's employees and those responsible for the functions involved in the above activities (*i.e.* marketing, purchasing, food administration and product marketing) must pay particular attention to:

- Verification of the reliability of suppliers;
- The verification of the products purchased in terms of their genuineness and the legitimacy of the trademarks/distinctive signs used;
- The training of personnel involved in the processing, administration of food and/or marketing of food and products;
- Widespread compliance with the principles of the Code of Ethics;
- Compliance, *inter alia*, with the indications contained in the "*Corporate Guidelines*" relating to the areas relevant here (administration/sale of food; marketing of products).

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9.4. Offences relating to receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin (Article 25-octies of Legislative Decree 231/2001)

Article 25-octies of Legislative Decree 231/2001 – Receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin, as well as self-laundering [Article added by Legislative Decree 231/2007; amended by Law 186/2014 and Legislative Decree 195 of 18 November 2021]

'1. In relation to the offences referred to in Articles 648, 648-bis, 648-ter and 648-ter.1 of the Criminal Code, a fine of between 200 and 800 shares shall apply to the entity. In the event that the money, goods or other benefits derive from an offence for which the penalty of imprisonment of more than five years is established, a fine of between 400 and 1000 shares shall be applied.
2. In the event of conviction for one of the offences referred to in paragraph 1, the disqualification penalties provided for in Article 9(2) shall be applied to the entity for a period not exceeding two years.
3. With regard to the offences referred to in paragraphs 1 and 2, the Ministry of Justice, after consulting the FIU, shall make the observations referred to in Article 6 of Legislative Decree No 231 of 8 June 2001.'

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❖ **Receiving stolen goods** (Article 648 of the Criminal Code)

'*Except in cases of complicity in the crime, any person who, in order to procure a profit for himself or others, buys, receives or conceals money or things deriving from any crime, or in any case interferes in having them acquired, received or concealed, shall be punished with imprisonment from two to eight years and a fine from €516 to €10,329. The penalty shall be increased if the offence relates to money or property arising from the offences of aggravated robbery within the meaning of the third paragraph of Article 628, aggravated extortion within the meaning of the second paragraph of Article 629, or aggravated theft within the meaning of the first paragraph of Article 625, no. 7-bis).*

The penalty is imprisonment from one to four years and a fine from €300 to €6,000 when the offence concerns money or property deriving from a contravention punishable by imprisonment of more than a maximum of one year or a minimum of six months.

The penalty is increased if the offence is committed in the exercise of a professional activity.

If the offence is particularly minor, the penalty is imprisonment of up to six years and a fine of up to €1,000 in the case of money or things deriving from a crime and the penalty of imprisonment of up to three years and a fine of up to €800 in the case of money or things deriving from a contravention.

The provisions of this Article shall also apply where the offender from whom the money or property originates is not imputable or not punishable or where there is no condition for prosecution relating to that offence.'

➢ Description of the offence

Receiving stolen goods is, therefore, a crime in which money or things that come from a crime are purchased, received or concealed, or interfered in having them purchased, received or concealed, in order to procure a profit for oneself or for others. As far as money or thing is concerned, a broad notion is accepted, thus falling within the concept not only the proceeds, but also everything that was used to commit the crime. Such an offence may arise if the acting subject is certain of the criminal origin of the goods he receives, even if he does not have precise knowledge of the circumstances of time and place of the predicate offence. This awareness, according to what the Court of Cassation ruled, with the ruling no. 12704 of 2012, can be deduced from any element, direct or indirect, even from the behavior of the accused, or from the insufficient indication, by the same, of the origin of the thing received, in relation to which it is deducible that the acting subject wants to hide its origin. Therefore, the precise awareness of the origin of the thing from the crime is not required, since the analysis can stop at the plausible knowledge that the thing comes from a crime, it will then be the judge, in practice, to evaluate the set of factual circumstances capable of indicating the awareness of the receiver regarding the origin. Furthermore, the crime, as a case constructed with early consummation, is perfected with the mere completion of the operations aimed at hindering the identification of the criminal origin of the money, goods or other utilities, nothing else is needed.

➢ Financial penalty

From €51,600.00 to €1,239,200.00 (for the aggravated hypothesis, the administrative fine is at least €103,200 and up to a maximum of €1,549,000.00).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Money laundering** (Article 648-bis of the Criminal Code)

'Except in cases of complicity in the offence, any person who replaces or transfers money, goods or other benefits derived from the crime; or carries out other operations in relation to them, so as to hinder the identification of their criminal origin, is punished with imprisonment from four to twelve years and a fine from €5,000 to €25,000.

The penalty is imprisonment from two to six years and a fine from €2,500 to €12,500 when the offence concerns money or things deriving from a contravention punishable by imprisonment for a maximum of one year or a minimum of six months.
The penalty is increased when the offence is committed in the exercise of a professional activity.
The penalty is reduced if the money, goods or other benefits come from an offence for which the penalty of imprisonment of less than five years is established.
The last paragraph of Article 648 shall apply.'

➢ Description of the offence

This hypothesis of crime arises in the event that the agent, who has not participated in the commission of the underlying crime, replaces or transfers money, goods or other benefits deriving from a crime, or carries out other operations in relation to them, so as to hinder the identification of their criminal origin. The rule is aimed at punishing those who - aware of the criminal origin of money, goods or other benefits - carry out the operations described, in such a way as to create difficulties in discovering the illicit origin of the goods in question. It is not required, for the purposes of the completion of the offence, to have acted to obtain a profit or with the aim of favouring the perpetrators of the underlying offence to secure the proceeds. Dynamic conduct, aimed at putting the goods into circulation, constitutes money laundering, while mere receipt or concealment could constitute the crime of receiving stolen goods. As for the crime of receiving stolen goods, the agent's awareness of the illicit origin can be inferred from any serious and unambiguous objective circumstance.

➢ Financial penalty

From €51,600.00 to €1,239,200.00 (for the aggravated hypothesis, the administrative fine is at least €103,200 and up to a maximum of €1,549,000.00).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Use of money, goods or utilities of illicit origin** (Article 648-ter of the Criminal Code)

'*Any person who, except in cases of complicity in the offence and in the cases provided for in Articles 648 and 648 bis, uses money, goods or other benefits derived from the offence in economic or financial activities shall be punished with imprisonment of between four and twelve years and a fine of between EUR 5 000 and EUR 25 000.*
The penalty is imprisonment from two to six years and a fine from €2,500 to €12,500 when the offence concerns money or things deriving from a contravention punishable by imprisonment for a maximum of one year or a minimum of six months.
The penalty is increased when the offence is committed in the exercise of a professional activity.

The penalty is reduced in the case referred to in the fourth paragraph of art. 648. The last paragraph of Article 648 shall apply.'

➢ Description of the offence

This hypothesis of crime arises in the event that the agent, who has not participated in the commission of the underlying crime, replaces or transfers money, goods or other benefits deriving from a non-negligent crime, or carries out other operations in relation to them, so as to hinder the identification of their criminal origin. The law is aimed at punishing those who – aware of the criminal origin of money, goods or other benefits – carry out the operations described, in such a way as to create concrete difficulties in discovering the illicit origin of the goods in question. It is not required, for the purposes of the completion of the offence, to have acted to obtain a profit or with the aim of favouring the perpetrators of the underlying offence to secure the proceeds. Dynamic conduct, aimed at putting the goods into circulation, constitutes money laundering, while mere receipt or concealment could constitute the crime of receiving stolen goods. As for the crime of receiving stolen goods, the agent's awareness of the illicit origin can be inferred from any serious and unambiguous objective circumstance.

➢ Financial penalty

From €51,600.00 to €1,239,200.00 (for the aggravated hypothesis, the administrative fine is at least €103,200 and up to a maximum of €1,549,000.00).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Self-laundering** (art. 648-ter.1)

'The penalty shall be imprisonment of between two and eight years and a fine of between EUR 5 000 and EUR 25 000 to any person who, having committed or contributed to the commission of a criminal offence, uses, replaces or transfers, in economic, financial, entrepreneurial or speculative activities, the money, goods or other benefits deriving from the commission of that offence, in such a way as to make it concretely difficult to identify their criminal origin.
The penalty is imprisonment from one to four years and a fine from €2,500 to €12,500 when the offence concerns money or things deriving from a contravention punishable by imprisonment for a maximum of one year or a minimum of six months.
The penalty is reduced if the money, goods or other benefits come from an offence for which the penalty of imprisonment of less than five years is established.
In any case, the penalties provided for in the first paragraph shall apply if the money, goods or other benefits are the result of an offence committed under the conditions or purposes referred to in Article 416 bis 1.

Except in the cases referred to in the preceding paragraphs, conduct for which money, goods or other benefits are intended for mere personal use or enjoyment shall not be punishable.
The penalty is increased when the offences are committed in the course of a banking or financial activity or other professional activity.
The penalty is reduced by up to half for those who have effectively worked to prevent the conduct from being carried to further consequences or to ensure the evidence of the crime and the identification of the goods, money and other benefits deriving from the crime.
The last paragraph of Article 648 shall apply.'

➢ Description of the offence

Self-laundering consists of the concealment of the proceeds deriving from one's own crimes and is mainly found as a result of crimes such as money laundering, tax evasion, corruption and the appropriation of social assets. It can be presented:

- such as the offence committed by the "money laundering service provider", who therefore also participated in the predicate offence;
- such as the offence committed by the perpetrator of the main offence who, afterwards and alone, uses the proceeds to invest them or inject them into economic or financial activities.

For example, if a director has set up funds abroad (with over-invoicing or with invoicing for non-existent transactions) he will be liable on his own, but the effects will also have repercussions on the company (unless it is possible to demonstrate the adoption of a suitable Organizational Model, capable of preventing the risk of committing the predicate crime in the epigraph).

➢ Financial penalty

From €51,600.00 to €1,239,200.00 (for the aggravated hypothesis, the administrative fine is at least €103,200 and up to a maximum of €1,549,000.00).

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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Risky behaviors

In relation to the hypotheses contemplated by Article 25-octies of Legislative Decree 231/2001 in the concrete business context, the addressees of this paragraph are also those to whom the types of crime examined in the other paragraphs of the Special Part of the Organizational Model refer, in the particular perspective of the suitability of the same to procure money, goods or other benefits to the entity. For those who commit a tax crime, the possibility of falling into self-laundering is greater, if, for example, the proceeds deriving from tax evasion (or the tax savings generated by unfaithful

declarations) are first inserted into illicit funds and then used (also with deeds of transfer and/or substitution) in economic, financial, entrepreneurial or speculative activities. From this point of view, the following tax offences are therefore considered, due to their susceptibility to procure illegal income for the company:

- fraudulent tax returns through the use of invoices or other documents for non-existent transactions (Article 2 of Legislative Decree no. 74 of 10 March 2000);
- fraudulent declaration by means of other artifices (art. 3 of Legislative Decree cit.);
- unfaithful declaration (art. 4 of Legislative Decree cit.);
- failure to declare (art. 5 of Legislative Decree cit.);
- concealment or destruction of accounting documents (Article 10 of Legislative Decree cit.);
- failure to pay certified withholding taxes (art. 10-bis of Legislative Decree cit.);
- failure to pay Value Added Tax (art. 10-ter of Legislative Decree cit.);
- undue compensation (Article 10-quarter of Legislative Decree cit.);
- fraudulent evasion of the payment of taxes (Article 11 of Legislative Decree cit.).

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Obligations / Prohibitions of Conduct

It is forbidden to engage/collaborate/cause the implementation of conduct that may fall within the types of crime considered for the purposes of Legislative Decree no. 231/2001 and more specifically, by way of example and not exhaustively, to:

- establish ongoing relationships, or maintain pre-existing ones, and carry out transactions when it is not possible to implement due diligence obligations towards the customer, for example due to the customer's refusal to provide the requested information;
- carry out transactions that are suspected of being linked to money laundering or terrorist financing;
- receive or conceal money or things deriving from any crime or carry out any activity that facilitates its purchase, receipt or concealment;
- replace or transfer money, securities, goods or other benefits deriving from illicit acts, or carry out other operations in relation to them that may hinder the identification of their criminal origin;
- participate in any of the acts referred to in the preceding points, associate to commit, attempt, aid, instigate or advise anyone to commit them or facilitate their execution.

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9.5. Computer crime offences (Article 24-bis of Legislative Decree 231/2001)

Article 24-bis of Legislative Decree 231/2001 – Computer crimes and unlawful processing of data [Article added by Law 48/2008, amended by Legislative Decrees 7 and 8/2016 and by Legislative Decree 105/2019]

'1. In relation to the commission of the offences referred to in Articles 615-ter, 617-quarter, 617-quinquies, 635-bis, 635-ter, 635-quarter and 635-quinquies of the Criminal Code, a fine of between one hundred and five hundred shares shall be applied to the entity.
2. In relation to the commission of the offences referred to in Articles 615-quarter and 615-quinquies of the Criminal Code, a fine of up to three hundred shares shall be imposed on the entity.

3. With regard to the commission of the offences referred to in Articles 491-bis and 640-quinquies of the Criminal Code, without prejudice to the provisions of Article 24 of this Decree for cases of computer fraud to the detriment of the State or other public body and the offences referred to in Article 1(11) of the Decree-Law of 21 September 2019, 105, a fine of up to four hundred shares shall be applied to the entity.
4. In the event of conviction for one of the offences referred to in paragraph 1, the disqualification sanctions provided for in Article 9(2)(a), (b) and (e) shall apply. In the event of conviction for one of the offences referred to in paragraph 2, the disqualification sanctions provided for in Article 9(2)(b) and (e) shall apply. In the event of conviction for one of the offences referred to in paragraph 3, the disqualification penalties provided for in Article 9(2)(c), (d) and (e) shall apply.'

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- **Unlawful access to a computer or telematic system** (Article 615-ter of the Criminal Code)

'*Any person who unlawfully enters a computer or telecommunications system protected by security measures or maintains himself or herself in it against the express or tacit will of the person having the right to exclude him shall be liable to imprisonment for a term not exceeding three years.*
The penalty is imprisonment from one to five years:
(1) if the act is committed by a public official or by a person in charge of a public service, with abuse of powers, or with a breach of the duties inherent in the function or service, or by a person who exercises, even abusively, the profession of private investigator, or with abuse of the quality of system operator;
2) if the offender uses violence against property or persons to commit the act, or if he is clearly armed;
3) if the event results in the destruction or damage of the system or the total or partial interruption of its operation, or the destruction or damage of the data, information or programs contained therein.
If the acts referred to in the first and second paragraphs concern computer or telematic systems of military interest or relating to public order or public security or health or civil protection or in any case of public interest, the penalty shall be, respectively, imprisonment from one to five years and from three to eight years.
In the case referred to in the first paragraph, the offence shall be punishable on complaint by the injured party; in other cases, proceedings shall be taken ex officio.»

- Description of the offence

The standard protects IT and telematic privacy, i.e. the confidentiality of data stored in computer systems or transmitted with telematic systems. It provides for two distinct types of criminal conduct: that of abusive access to a computer or telematic system protected by security measures and that of those who maintain it against the express or tacit will of those who have the right to exclude it. The introduction conduct is carried out when the agent illegally crosses the protection barriers of both hardware and software. The law does not require the agent to have taken cognizance of all or a substantial part of the data stored in the breached system. It is sufficient, for the crime to be committed, that he has overcome the barriers of protection and that he has begun to know the data contained therein. In the corporate context, the crime can also be committed by an employee who, despite possessing the credentials to access the system, accesses parts of it that are precluded to him, or accesses, without being legitimate, the company's databases, through the use of the credentials of other authorized colleagues.

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

*** *** ***

❖ Unlawful interception, obstruction or interruption of computer or telematic communications (Article 617-quarter of the Criminal Code)

'*Any person who fraudulently intercepts or prevents or interrupts communications relating to, or intervening a computer or telecommunications system between several systems, shall be liable to imprisonment of between one year and six months and five years.*
Unless the act constitutes a more serious criminal offence, the same penalty shall apply to any person who discloses, by any means of information to the public, in whole or in part, the content of the communications referred to in the first subparagraph.
The offences referred to in the first and second paragraphs shall be punishable on complaint by the injured party.
However, the offence is ex officio and the penalty is imprisonment from three to eight years if the offence is committed:
(1) to the detriment of a computer or telematic system used by the State or by another public body or by an undertaking providing public services or services of public necessity;
(2) by a public official or a person in charge of a public service with abuse of powers or with violation of the duties inherent in the function or service, or with abuse of the status of system operator;
3) by those who practice, even illegally, the profession of private investigator.»

➢ Description of the offence

The rule in question protects not only the right to confidentiality but also the regularity of communications which, except for the limits expressly provided for by a State law, must be free, complete and without interruption. Within art. 617-quarter *of the* Criminal Code, two different criminal hypotheses can be identified: the first, consists in fraudulently intercepting communications relating to a computer or telematic system or between several systems, or in the impediment or interruption of the same; the second, on the other hand, occurs (unless the fact constitutes a more serious crime, such as, for example, the crime of revealing State secrets, provided for by art. 261 of the Criminal Code) through the dissemination, by any means of information to the public, of the content of the aforementioned communications. The offence may be prosecuted on complaint by the injured party, unless the aggravating circumstances provided for by the law exist, including conduct committed to the detriment of a system used by the State or other public body or by companies operating public services or public necessity or with abuse of the quality of system operator. In the business environment, the impediment or interruption could be caused by the unauthorized installation of software by an employee, for example.

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

*** *** ***

❖ **Possession, dissemination and unlawful installation of equipment and other means capable of intercepting, preventing or interrupting computer or telematic communications** (Article 617-quinquies of the Criminal Code)

'*Any person who, except as permitted by law, for the purpose of intercepting, preventing or interrupting communications relating to, or intervening or interrupting communications relating to, a computer or telecommunications system or between several systems, obtains, holds, produces, reproduces, disseminates, imports, communicates, delivers, otherwise makes available to others or installs equipment, programs, codes, keywords or other means capable of intercepting, Preventing or interrupting communications relating to a computer or telematic system or between several systems is punishable by imprisonment from one to four years.*
The penalty shall be imprisonment from one to five years in the cases provided for in the fourth paragraph of Article 617 quarter.»

➢ Description of the offence

The law protects the legal right of the confidentiality of information or news transmitted electronically or processed by individual computer systems. The offence is completed with the installation of equipment suitable for intercepting, preventing or interrupting computer or telematic communications. In the business environment, the impediment or interruption could be caused by the unauthorized installation of software by an employee, for example. Art. 617-quinquies punishes only the acts of possession, dissemination and installation, except in the cases permitted by law, of equipment (or other means) capable of intercepting, preventing or interrupting communications, regardless of the occurrence of such events. The offence is punishable ex officio.

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

*** *** ***

❖ **Damage to information, data and computer programs** (Article 635-bis of the Criminal Code)

'Unless the act constitutes a more serious offence, any person who destroys, deteriorates, erases, alters or suppresses the information, data or computer programs

of others shall be punished by imprisonment of between six months and three years on complaint by the injured party.
If the offence is committed with violence to the person or with threat or abuse of the capacity of system operator, the penalty shall be imprisonment of between one and four years.'

➢ Description of the offence

Art. 635-bis of the Criminal Code - aimed at the protection of assets, the regularity of telecommunications, as well as the protection of computer systems - punishes, unless the fact constitutes a more serious crime, anyone who destroys, deteriorates, erases, alters, suppresses, information, data or computer programs of others. It should be considered that, according to a restrictive interpretation, the concept of "third-party programs" could also include programs used by the agent as they are licensed to him by the legitimate owners. The penalty is increased if the offence is committed with violence to the person or with threat, or with abuse of the capacity of system operator.

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

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❖ **Damage to information, data and computer programs used by the State by another public body or in any case of public utility** (Article 635-ter of the Criminal Code)

' *Unless the act constitutes a more serious offence, any person who commits an act intended to destroy, deteriorate, erase, alter or suppress information, data or computer programs used by the State or by other public bodies or pertaining to them, or in any case of public utility, shall be punished with imprisonment of between one and four years. If the act results in the destruction, deterioration, deletion, alteration or suppression of information, data or computer programs, the penalty is imprisonment from three to eight years.*
If the offence is committed with violence to the person or with threat or abuse of the capacity of system operator, the penalty shall be increased.'

➢ Description of the offence

The offence could arise, for example, if an employee or other top management of the Company who manages the information systems on behalf of the shareholder entities uses the system and the data contained therein for purposes other than those permitted. This offence is also configurable if an employee or other top management of the Company accesses, using passwords unduly stolen, the computer system of others (e.g. competitors, etc.) in order to acquire information relating to company strategies, etc.

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

*** *** ***

❖ **Damage to computer or telematic systems** (Article 635-quarter of the Criminal Code)

'Unless the act constitutes a more serious offence, any person who, by means of the conduct referred to in Article 635a, or by the introduction or transmission of data, information or programmes, destroys, damages, renders unusable, in whole or in part, the computer or telematics systems of others or seriously impedes their operation shall be punished with imprisonment of between one and five years.
If the offence is committed with violence to the person or with threat or abuse of the capacity of system operator, the penalty shall be increased.'

➢ Description of the offence

The article punishes, unless the fact constitutes a more serious crime, anyone who, through the conduct referred to in art. 635-bis, i.e. through the introduction or transmission of data, information or programs, destroys, damages, renders, in whole or in part, unusable computer or telematic systems of others or seriously hinders their operation. In order for the crime in question to be committed, the system on which the criminal conduct was perpetrated must be damaged or rendered, even partially, unusable or its operation must be hindered. The case in question is therefore different from that provided for by art. 635-bis, with particular regard to the material object, identified here as "computer or telematic systems of others".

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

*** *** ***

❖ **Damage to computer or telematic systems of public utility** (Article 635-quinquies of the Criminal Code)

'*If the act referred to in Article 635c is intended to destroy, damage, render unusable, in whole or in part, computer or telematics systems of public utility(2) or to seriously impede their operation(3), the penalty shall be imprisonment of between one and four years.*
If the act results in the destruction or damage of the computer or telematic system of public utility or if it is rendered, in whole or in part, unusable, the penalty is imprisonment from three to eight years.
If the offence is committed with violence to the person or with threat or abuse of the capacity of system operator, the penalty shall be increased.'

➢ Description of the offence

By way of example, this case could, in the abstract, arise in the event that an employee of the Company exploits the access granted to the IT systems of the member entities for the purpose of performing contractual services, to damage the information, data and programs contained therein.

➢ Financial penalty

From € 25,800.00 to € 774,500.00.

*** *** ***

- **Possession, dissemination and unlawful installation of equipment, codes and other means of access to computer or telematic systems** (Article 615-quarter of the Criminal Code)

'*Any person who, for the purpose of making a profit for himself or for others or causing damage to others, unlawfully procures, holds, produces, reproduces, disseminates, imports, communicates, delivers, otherwise makes available to others or installs apparatus, instruments, parts of apparatus or instruments, codes, keywords or other means suitable for access to a computer or telecommunications system, protected by security measures, or in any case providing indications or instructions suitable for the aforementioned purpose, is punished with imprisonment of up to two years and a fine of up to €5,164.*
The penalty shall be imprisonment from one to three years and a fine of between €5,164 and €10,329 if any of the circumstances referred to in numbers 1) and 2) of the fourth paragraph of Article 617quater occur."

➢ Description of the offence

The incriminated conduct consists of procuring, holding, installing or acquiring in any way the availability (it is completely irrelevant that the code/equipment/means of access to the computer system of others, subject to transfer or dissemination, has been obtained illegally), reproducing, or making the copy in one or more copies, disseminating or disseminating, communicating, or materially bringing to the attention of third parties codes, keywords or other means suitable for accessing another person's computer or telematic system protected by security measures, or in providing indications or instructions suitable for allowing a third party to access another person's computer system protected by security measures.

➢ Financial penalty

From € 25,800.00 to € 464,700.00.

➢ Disqualification sanctions

- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

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- **Illegal possession, dissemination and installation of equipment, devices or computer programs aimed at damaging or interrupting a computer or telematic system** (Article 615-quinquies of the Criminal Code)

'Any person who, with the aim of unlawfully damaging a computer or telecommunications system, the information, data or programs contained therein or pertaining to it, or of facilitating the total or partial interruption or alteration of its operation, unlawfully procures, possesses, produces, reproduces, imports, disseminates, communicates, delivers or, in any other way, makes available to others or installs equipment, computer devices or programs, shall be punished with imprisonment of up to two years and a fine of up to €10,329."

➢ Description of the offence

Art. 615-quinquies punishes anyone who procures, produces, reproduces, imports, disseminates, communicates, delivers or makes available other equipment, devices or programs with the aim of unlawfully damaging a system or the data and programs pertaining to it, or of facilitating the interruption or alteration of its operation. The cases provided for by art. 615-quarter and 615-quinquies are prosecuted ex officio and intend to repress even the sole abusive possession or dissemination of access credentials or programs (viruses, spyware) or potentially harmful devices regardless of the implementation of the other computer crimes illustrated above, with respect to which the conduct in question may be preparatory. The first case requires that the offender acts for profit or to the detriment of others. Moreover, in the assessment of such conduct, the consideration of the objectively abusive nature of data transmissions, programs, e-mails, etc., by those who, although not moved by a specific purpose of profit or causing damage, are aware of the presence in them of viruses that could cause the harmful events described by the law, could assume paramount importance.

➢ Financial penalty

From Euro 25,800.00 to Euro 464,700.00

➢ Disqualification sanctions

- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of advertising goods or services.

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❖ **Electronic documents** (Article 491-bis of the Criminal Code)

'If any of the falsehoods referred to in this Chapter relate to a public electronic document having probative value, the provisions of that Chapter relating to authentic instruments shall apply.'

➢ Description of the offence

Article 491-bis of the Criminal Code provides that the same criminal discipline applies to public or private electronic documents having probative value as for falsehoods committed with regard to traditional paper documents, provided for and punished by Articles 476 to 493 of the Criminal Code. In particular, the offences of material or ideological falsity committed by a public official or by a private individual, falsity in registers and notifications, falsity in private writing, ideological falsity in certificates committed by persons performing services of public necessity, use of false deeds are mentioned. In current legislation, the concept of electronic document is not linked to the material support that contains it, as the criminally decisive element for the identification of the electronic document consists in the attribution to it of probative value according to civil law. In the crimes of falsity in deeds, the distinction between material falsehoods and ideological falsehoods is fundamental: material falsity occurs when there is a divergence between the apparent author and the real author of the document or when it has been altered (even by the original author) after its formation. Ideological falsehood occurs when the document contains statements that are untrue or not faithfully reported. In this regard, it should be noted that, pursuant to the Digital Administration Code of Legislative Decree no. 82/2005, the electronic document is "the electronic representation of legally relevant acts, facts or data", but:

- if it is not signed with an electronic signature (art. 1, letter q), it cannot have any probative value, but it can at most, at the discretion of the judge, satisfy the legal requirement of the written form (art. 20, c. 1-bis);
- even when it is signed with a "simple" (i.e. unqualified) electronic signature, it may not have probative value;
- The electronic document signed with a digital signature or other type of qualified electronic signature has the effectiveness provided for in Article 2702 of the Civil Code, i.e. it is full proof, until a complaint of forgery is filed, if the person against whom it is produced recognizes its signature.

The crime of using a false deed (Article 489 of the Criminal Code) punishes those who, although not complicit in the commission of the falsehood, make use of the false deed being aware of its falsity. Among the offences referred to in art. 491-bis, forgery in private writing (Article 485 of the Criminal Code) and, if they concern a private deed, the use of a false document (Article 489 of the Criminal Code) and the suppression, destruction and concealment of true documents (Article 490 of the Criminal Code) are punishable upon complaint by the injured party.

➢ Financial penalty

From € 25,800.00 to € 619,600.00.

➢ Disqualification sanctions

- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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Risky behaviors

In the management of information systems, company rules must implement the following principles:
- centralized *application servers* are hosted in dedicated and secured rooms;
- logical access to information systems is protected by *user-id* and *user password* with periodic expiration;
- the credentials to access the systems are promptly eliminated for the discharged staff and each user has a personal *user-id* and *password*;
- the network is protected by *firewalls* and *antivirus*/*antispam software*, which are repeatedly updated;
- *Backups* of the data residing on the *servers* are saved on a daily basis and the media are properly stored.

As part of the company's activities, particular attention must be paid to:

- at a general organizational level: the preparation and updating of the articulated internal regulations that govern compliance with ICT (Information and Communications Technology) regulations and ensure the traceability and transparency of the choices made; this regulation develops in depth the points referred to in the following paragraph and should be considered as an integrative component of the protocols aimed at preventing the commission of the predicate crimes described in this chapter of the Organizational Model pursuant to Legislative Decree 231/2001.
- the design of the processes for updating and putting into production computerized procedures that involve updating the contents in the computer or telematic system;
- the design of the processes for updating and modifying the information contained in the databases.

Any additions to the above-mentioned areas of activity at risk may be proposed by the Supervisory Body, after consulting the corporate control functions and the Data Protection Officer (DPO) and subsequently submitted to the Board of Directors for approval.

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Obligations / Prohibitions of Conduct

In general, the recipients of this Model are prohibited from engaging in conduct or contributing to the implementation of conduct that may fall within the types of crime indicated above; violations of the principles and rules provided for in the company policies governing the organization of ICT (Information and Communications Technologies) services are also prohibited.
All those authorized to access the company information system by means of passwords and access keys must comply with the following obligations:
- use the IT resources assigned exclusively for the performance of its activities;
- access the information system only through the uniquely assigned identification codes;
- carefully keep your access credentials to the company's information systems, preventing third parties from becoming aware of them;
- periodically update passwords, according to the rules set out in the service orders;
- know the laws, regulations and instructions of the authorities in charge on information systems and data processing;
- know the *policies*, service provisions and organizational processes prepared by the Company, which regulate the management and monitoring of protection and access, at the various functional levels, to the company's IT and telematic systems;
- ensure the traceability of the documents produced;
- ensure file protection mechanisms, such as passwords;
- respect the ownership and ownership of third-party computer systems;
- use goods protected by copyright legislation in compliance with the rules provided therein.

Providers of services related to information systems, in line with the contractual provisions in force, must:
- install to all users only genuine, duly authorized or licensed software;
- verify the security of the company's network and information systems;

- monitor organizational or technical changes that could lead to the exposure of the information system to new threats, making the access control system inadequate;
- evaluate the opportunity to request information and clarifications from all company functions and all those who deal with or have dealt with the sensitive transaction;
- verifying, as far as they are competent, compliance with company regulations;
- promptly inform the Supervisory Body of significant facts or circumstances found in the performance of sensitive activities with express reference to computer crimes.

The following prohibitions apply to all those subject to this Organizational Model:
- not to engage, not to collaborate, not to give cause to the implementation of conduct that, taken individually or collectively, integrates, directly or indirectly, the types of crime falling within those considered above;
- not to use the IT resources (e.g. desktop or laptop personal computers or other mobile devices) assigned by the Company for purposes other than work;
- do not leave your Personal Computer unattended and without password protection;
- not to communicate to third parties their access credentials to the company's information systems;
- not to use alternative connections to those provided by the Company;
- refrain from any conduct that may compromise the confidentiality and integrity of the Company's and third parties' information and data;
- not to exceed or circumvent, or attempt to overcome or circumvent, the company's security systems (e.g.: Antivirus, Firewall, Proxy server, etc.);
- not to install software/programs in addition to those that exist or will be installed for business needs;
- not to make illegal downloads or transmit copyrighted content to third parties;
- not to alter electronic documents, public or private, for evidentiary purposes;
- not to access, without authorization, a computer or telematic system or to hold back against the express or tacit will of those who have the right to exclude it (the prohibition includes both access to internal information systems and access to the information systems of competing entities, public or private, for the purpose of obtaining information on commercial or strategic developments);
- not to procure, reproduce, disseminate, communicate, or bring to the attention of third parties codes, keywords or other means suitable for access to a computer or telematic system of others protected by security measures, or to provide indications or instructions suitable for allowing a third party to access a computer system of others protected by security measures;
- not to procure, produce, reproduce, import, disseminate, communicate, deliver or, in any case, make available to others equipment, devices or computer programs for the purpose of unlawfully damaging a computer or telematic system, the information, data or programs contained therein or pertaining to it, or to facilitate the interruption, total or partial, alteration of its operation (the prohibition includes the transmission of viruses with the aim of damaging the information systems of competing entities);
- not to intercept, prevent or unlawfully interrupt computer or telematic communications;
- not to destroy, deteriorate, delete, alter or suppress information, data and computer programs (the prohibition includes unauthorized intrusion into the information system of a competitor company, with the aim of altering information and data of the latter);

- not to destroy, deteriorate, erase, alter or suppress information, data and computer programs used by the State or other public body or pertaining to them or in any case of public utility;
- not to destroy, damage, render, in whole or in part, unusable computer or telematic systems of others or seriously hinder their operation;
- not to destroy, damage, render, in whole or in part, unusable computer or telematic systems of public utility or seriously hinder their operation.

Additional specific obligations and prohibitions are prescribed:
for "System Administrators", in particular they:
- They must put in place appropriate measures to prevent hacking, such as, but not limited to, the necessary firewalls that prevent access from the outside. System administrators have their own authentication credentials;
- must not operate outside of the assigned tasks without the permission of the user concerned;

To be paid by the Company Management that oversees ICT (Information and Communications Technologies) which, with the support of the System Administrators, must prepare the following minimum security measures:
- access to the information residing on the company's servers and databases must correspond to authentication models, procedures and tools, with employees provided with unique credentials to access clients;
- access credentials must be adopted and managed according to specific procedures;
- access to applications should only be allowed through authorization tools;
- the scope of data processing allowed to the individual persons in charge of the management or maintenance of electronic instruments must be periodically verified;
- the periodic updating of servers and Personal Computers (including portable ones) on the basis of specific needs, with special attention to all the new electronic devices that will be progressively adopted (*devices*, the result of technological innovations) and able to connect with the company's information system;
- the protection of electronic devices and data against unlawful data processing, unauthorized access and certain computer programs;
- the adoption of procedures for the safekeeping of backup copies and for the restoration of the availability of data and systems;
- the impossibility of abusively replicating passwords and access codes to computer or telematic systems;
- the tracking of every access and exit from the system by the System Administrator, in compliance with the legislation on Privacy;
- the detection of any alterations to the system by users, in compliance with privacy legislation;
- network data replicated to individually assigned personal computers or other devices shall be made available only to authorized users;
- Networking devices must be protected by appropriate tools to limit access from the outside (*firewalls* and *proxies*); networking devices must be placed in dedicated and protected areas in order to make them accessible only to authorized personnel;
- servers, personal computers and any other *devices* (*laptops*, mobile phones and other electronic innovations) must be protected with antivirus programs, automatically updated against the risk of intrusion;

- access to the servers must be limited to authorized personnel only in order to ensure the physical security of the data contained and managed therein;
- Servers must be protected by appropriate devices to prevent anomalous behavior and, at the very least, duplicates.

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Coordination with the provisions of the General Regulation (EU) 2016/679 on the protection of personal data (GDPR) and Legislative Decree no. 101 of 10 August 2018, which amended Legislative Decree no. 196 of 30 June 2003 (Privacy Code)

The commission of cybercrime can result in the risk of a data security breach resulting in the "unauthorized disclosure of or access to personal data", whether the breach occurs accidentally or unlawfully. In any case, the violation may result in sanctions and obligations to pay damages to the company, in its capacity as Data Controller or Data Processor.
For the functional coordination between the two aforementioned Organizational and Prevention Models (Model 231/2001 and Privacy Model), the following are considered:
- the catalogue of predicate computer crimes, as described above;
- other types of offences whose conduct makes use of computer systems, such as computer fraud (Article 640-ter of the Italian Civil Code), certain types of corporate offences (pursuant to Article 25-ter), certain offences relating to copyright infringement (pursuant to Article 25-novies);
- impact of IT also on the management of the *whistleblowing procedure*.

This functional coordination takes place:
- in the drafting and updating of the Register of the processing of personal data pursuant to Article 30 of the GDPR;
- through information flows to the Supervisory Body pursuant to Legislative Decree 231/2001, which acquires the data processing records and verifies that the two risk matrices are not in opposition to each other, giving different interpretations to the same protection function, coordinating with the Data Protection Officer (DPO).

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9.6. Copyright violations (art. 25-novies of Legislative Decree 231/2001)

Article 25-novies of Legislative Decree 231/2001 – Crimes relating to copyright infringement [Article added by Law no. 99/2009]

'1. In relation to the commission of the offences referred to in Article 171(1)(a-bis) and Article 171(3), Article 171-bis, Article 171-ter, Article 171-septies and Article 171-octies of Law No 633 of 22 April 1941, a fine of up to five hundred shares shall be imposed on the entity.
2. In the event of a conviction for the offences referred to in paragraph 1, the disqualification penalties provided for in Article 9(2) shall be applied to the entity for a period not exceeding one year. This is without prejudice to the provisions of Article 174-quinquies of the aforementioned Law No. 633 of 1941."

On this point, it should be noted that, in consideration of the peculiar economic activity carried out by Brema Group S.p.A., a perimeter of the risk-crime is implemented only with reference to the incriminating cases referred to in art. 171-bis and 171-ter (as amended by Law No. 93/2023) of Law No. 633 of 22 April 1941

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- **Abusive duplication, distribution and other activities concerning computer programs not marked by the SIAE trademark** (art. 171-bis, Law no. 633 of 22 April 1941)

'1. Any person who unlawfully duplicates, for profit, computer programs or imports, distributes, sells, holds for commercial or business purposes or leases programmes contained in media not marked by the Italian Society of Authors and Publishers (SIAE), shall be liable to a term of imprisonment of between six months and three years and a fine of between EUR 2 582 and EUR 15 493. The same penalty shall apply if the act relates solely to any means intended solely to enable or facilitate the arbitrary removal or functional circumvention of devices applied to protect a computer program. The penalty is not less than two years' imprisonment and the fine is €15,493 if the offence is of significant seriousness.
2. Any person who, in order to make a profit, reproduces, transfers to another medium, distributes, communicates, presents or demonstrates in public the contents of a database in breach of the provisions of Articles 64d and 64e, or extracts or re-uses the database in breach of the provisions of Articles 102a and 102b, i.e. distributes, sells or leases a database, is subject to imprisonment from six months to three years and a fine from €2,582 to €15,493. The penalty shall not be less than a minimum of two years' imprisonment and a fine shall be €15,493 if the offence is of significant seriousness."

- Description of the offence

The introduction of Article 25-novies in Legislative Decree No. 231/2001, by Law No. 99 of 23 July 2009, obliges the entity to set up accurate controls on the content that passes through its servers, or that is installed on its devices and IT tools, to reduce the possibility of the crimes in question being committed, in order to procure an interest or advantage to the entity itself by the subjects who hold a top position or persons subject to the direction or supervision of the latter. The sanctioned conducts, relevant to the company's scope of operation, are the following: abusive duplication, for profit, of computer programs; import, distribution, sale or possession for commercial or business purposes or leasing of programs contained in media not marked by the SIAE; provision of means for removing or circumventing the protective devices of computer programs; reproduction, transfer to another medium, distribution, communication, public presentation or demonstration of the contents of a database; extraction or re-use of the database; distribution, sale or lease of databases

- Financial penalty

From € 25,800.00 to € 774,500.00.

- Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

- **Abusive duplication, distribution and other activities concerning intellectual works protected by copyright.** (art. 171-ter, Law no. 633 of 22 April 1941, amended by Law no. 93/2023)

'1. *If the offence is committed for non-personal use, anyone who is punished with imprisonment from six months to three years and a fine from €2,582 to €15,493 is anyone who:*
(a) unlawfully duplicates, reproduces, transmits or disseminates in public by any means, in whole or in part, an intellectual work intended for television, cinema, sale or rental circuit, records, tapes or similar media or any other medium containing phonograms or videograms of musical, cinematographic or similar audiovisual works or sequences of moving images;
b) unlawfully reproduces, transmits or disseminates in public, by any means, works or parts of literary, dramatic, scientific or didactic, musical or dramatic-musical works, or multimedia, even if included in collective or composite works or databases;
(c) even if it has not contributed to the duplication or reproduction, introduces into the territory of the State, holds for sale or distribution, distributes, puts on the market, rents or otherwise transfers for any reason, projects in public, transmits by means of television by any process, transmits by radio, causes to be heard in public the duplications or abusive reproductions referred to in letters a) and b);
(d) holds for sale or distribution, puts on the market, sells, rents, assigns for any reason, projects in public, transmits by means of radio or television by any means, videocassettes, cassettes, any medium containing phonograms or videograms of musical, cinematographic or audiovisual works or sequences of moving images, or any other medium for which it is prescribed, pursuant to this law, the affixing of a mark by the Italian Society of Authors and Publishers (S.I.A.E.), without the mark itself or with a counterfeit or altered mark;
e) in the absence of an agreement with the legitimate distributor, retransmits or disseminates by any means an encrypted service received by means of apparatus or parts of apparatus suitable for the decoding of conditional access transmissions;
f) introduces into the territory of the State, holds for sale or distribution, distributes, sells, leases, assigns for any reason, commercially promotes, installs devices or special decoding elements that allow access to an encrypted service without payment of the due fee.
f-bis) manufactures, imports, distributes, sells, rents, assigns for any reason, advertises for sale or rental, or holds for commercial purposes, equipment, products or components or provides services that have the main purpose or commercial use of circumventing effective technological measures referred to in art. 102-quarter or are mainly designed, produced, adapted or manufactured with the aim of making possible or facilitating the circumvention of the aforementioned measures. Technological measures include those applied, or remaining, as a result of the removal of such measures as a result of the voluntary initiative of rightholders or agreements between them and the beneficiaries of exceptions, or as a result of the enforcement of measures of the administrative or judicial authority;
h) unlawfully removes or alters the electronic information referred to in Article 102-quinquies, or distributes, imports for distribution purposes, broadcasts by radio or television, communicates or makes available to the public works or other protected subject-matter from which the electronic information has been removed or altered.
(h-bis) abusively, also in the manner indicated in paragraph 1 of Article 85-bis of the Consolidated Law on Public Security, referred to in Royal Decree No. 773 of 18 June 1931, performs the fixation on a digital, audio, video or audio-video support, in whole

or in part, of a cinematographic, audiovisual or editorial work or carries out the reproduction, the execution or communication to the public of the unlawful fixation).
2. Any person who:
(a) unlawfully reproduces, duplicates, transmits or disseminates, sells or otherwise puts on the market, transfers for any reason whatsoever or imports more than fifty copies or copies of works protected by copyright and related rights;
(a-bis) in breach of Article 16, for profit, communicates to the public by placing it in a system of telematic networks, by means of connections of any kind, an intellectual work protected by copyright, or part thereof;
b) by carrying out in an entrepreneurial form activities of reproduction, distribution, sale or marketing, importation of works protected by copyright and related rights, is guilty of the acts referred to in paragraph l;
c) promotes or organises the illegal activities referred to in paragraph 1.
3. The penalty shall be reduced if the offence is particularly minor.
4. Conviction for one of the offences referred to in paragraph 1 shall involve:
(a) the application of the additional penalties referred to in Articles 30 and 32-bis of the Criminal Code;
(b) the publication of the judgment in accordance with Article 36 of the Criminal Code;
(c) the suspension for a period of one year of the radio and television broadcasting licence or authorisation for the exercise of production or commercial activities.
5. The amounts resulting from the application of the financial penalties provided for in the preceding paragraphs shall be paid to the National Social Security and Assistance Agency for Painters and Sculptors, Musicians, Writers and Dramatic Authors.'

- Description of the offence

The introduction of Article 25-novies in Legislative Decree No. 231/2001, by Law No. 99 of 23 July 2009, obliges the entity to set up accurate controls on the content that passes through its servers, or that is installed on its devices and IT tools, to reduce the possibility of the crimes in question being committed, in order to procure an interest or advantage to the entity itself by the subjects who hold a top position or persons subject to the direction or supervision of the latter. The sanctioned conducts, relevant to the company's scope of operation, are the following: abusive duplication, reproduction, transmission or dissemination in public by any process, in whole or in part, of intellectual works intended for the television or cinema circuit, the sale or rental of records, tapes or similar supports or any other support containing phonograms or videograms of musical works, cinematographic or similar audiovisual images or sequences of moving images; literary, dramatic, scientific or didactic, musical or dramatic, multimedia works, even if included in collective or composite works or databases; unlawful reproduction, duplication, transmission or dissemination, sale or trade, transfer for any reason whatsoever or unlawful importation of more than fifty copies or copies of works protected by copyright and related rights; Introduction into a system of telematic networks, by means of connections of any kind, of an intellectual work protected by copyright, or part of it.

- Financial penalty

From € 25,800.00 to € 774,500.00.

- Disqualification sanctions

- Disqualification from carrying out the activity;

- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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9.7. Offences relating to health and safety at work (Article 25-septies of Legislative Decree 231/2001)

Article 25-septies of Legislative Decree 231/2001 – Manslaughter or serious or very serious injuries committed in violation of the rules on the protection of health and safety at work.

'1. In relation to the offence referred to in Article 589 of the Criminal Code, committed in breach of Article 55(2) of the Legislative Decree implementing the delegation referred to in Law No 123 of 3 August 2007 on health and safety at work, a fine of 1,000 shares shall be imposed. In the event of a conviction for the offence referred to in the preceding sentence, the disqualification penalties referred to in Article 9(2) shall be applied for a period of not less than three months and not more than one year.
2. Without prejudice to the provisions of paragraph 1, in relation to the offence referred to in Article 589 of the Criminal Code, committed in breach of the rules on the protection of health and safety at work, a fine of not less than 250 shares and not more than 500 shares shall be imposed. In the event of a conviction for the offence referred to in the preceding sentence, the disqualification penalties referred to in Article 9(2) shall be applied for a period of not less than three months and not more than one year.
3. In relation to the offence referred to in the third paragraph of Article 590 of the Criminal Code, committed in breach of the rules on the protection of health and safety at work, a fine of no more than 250 shares shall be imposed. In the event of a conviction for the offence referred to in the preceding sentence, the disqualification penalties referred to in Article 9(2) shall be applied for a period not exceeding six months.'

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❖ **Manslaughter** (Article 589 of the Criminal Code)

'Any person who negligently causes the death of a person shall be punished with imprisonment of between six months and five years.
If the offence is committed in violation of the regulations for the prevention of accidents at work, the penalty is imprisonment from two to seven years.
If the offence is committed in the abusive exercise of a profession for which a special qualification from the State or a health profession is required, the penalty is imprisonment from three to ten years.
In the case of the death of several persons, or the death of one or more persons and the injury of one or more persons, the penalty which would be imposed for the most serious of the offences committed shall be increased by up to three times, but the penalty shall not exceed fifteen years.'

➢ <u>Description of the offence</u>

For the purposes of the Decree, the conduct of anyone who negligently causes the death of a person as a result of the violation of the rules for the prevention of accidents at work is relevant.

➢ Financial penalty

- Fixed number of shares (1000 shares) which may vary depending on the amount of the latter from Euro 258,000.00 to Euro 1,549,000.00, if the crime is committed in violation of art. 55, paragraph 2, of the legislative decree implementing the delegation referred to in Law no. 123 of 3 August 2007, on health and safety at work;
- From € 64,500.00 to € 774,500.00 if the crime is committed in violation of the rules on the protection of health and safety at work (Article 25-septies *of* Legislative Decree 231/2001, paragraph 2);

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Culpable bodily injury** (Article 590 of the Criminal Code)

'Any person who negligently causes bodily injury to another shall be liable to imprisonment of up to three months or a fine of up to EUR 309.
If the injury is serious, the penalty is imprisonment from one to six months or a fine from €123 to €619, if it is very serious, imprisonment from three months to two years or a fine from €309 to €1,239.
If the acts referred to in the second paragraph are committed in violation of the rules [on road traffic regulations or those] for the prevention of accidents at work, the penalty for serious injuries shall be imprisonment from three months to one year or a fine from EUR 500 to EUR 2,000 and the penalty for very serious injuries shall be imprisonment from one to three years.
If the acts referred to in the second subparagraph are committed in the abusive exercise of a profession for which a special qualification from the State or a medical institution is required, the penalty for serious injury shall be imprisonment from six months to two years and the penalty for very serious injury shall be imprisonment from one year and six months to four years.
In the case of injuries to more than one person, the penalty that should be imposed for the most serious of the violations committed, increased up to three times, applies; but the penalty of imprisonment may not exceed five years.
The offence shall be punishable on complaint by the injured party, except in the cases provided for in the first and second paragraphs, limited to acts committed in breach of the rules for the prevention of accidents at work or relating to occupational hygiene or which have led to an occupational disease.'

➢ Description of the offence

The relevant case for the purposes of the Decree is the one that sanctions anyone who causes to others, through negligence, a serious or very serious personal injury as a result of the violation of the rules for the prevention of accidents at work. With regard to the definition of a criminal injury, particular consideration is given to those capable of causing any disease consisting of an alteration – anatomical or functional – of the organism. This broad definition also includes harmful changes in mental functional activity. In this regard, it could abstractly constitute conduct of injury, conduct to the detriment of the worker over time, by the employer, colleagues or superiors, with vexatious and/or persecutory and/or discriminatory and/or unjustly punitive purposes or effects that involve serious physical or psychological injury to the subject. In this context, both intrinsically unlawful conduct (e.g., insults, threats, unjustified denial of workers' rights, etc.) and behaviors that, individually considered, can be considered lawful (e.g., transfers, disciplinary measures, denial/revocation of leave, etc.), but which are detrimental to the employee due to the manner in which they are carried out or the purposes pursued (so-called "Criminal Conduct").*mobbing*). In this regard, it should be noted that the case of injuries is taken into consideration, for the purposes of the Decree, exclusively with regard to the hypotheses of serious and very serious injuries. Serious injuries are defined as those that have endangered the life of people or have caused an illness or the inability to attend to one's occupations that have lasted for more than 40 days, or the permanent weakening of a sense or organ; On the other hand, very serious injuries are those in which there has been a loss of sense, or the loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and serious difficulty of speech, or finally the deformation or permanent disfigurement of the face. In both cases, the liability of the persons in charge of the adoption and implementation of preventive measures exists only in the event that there is a causal relationship between the failure to adopt or comply with the prescription and the harmful event. Consequently, the causal relationship (or, rather, the fault of the employer or supervisor) may be absent in the event that the accident occurs due to negligent conduct on the part of the worker, which is, however, completely atypical and unforeseeable. It follows from that principle that the link between fault and event exists where the event appears to be the specific occurrence of one of the risks which the interim provision infringed was intended to prevent. Moreover, it should be noted that accident prevention precautions are aimed at preventing harmful events not only to workers, but also to third parties who come to be in the workplace, even if they are unrelated to the organization of the company. On the other hand, liability must be excluded, even in the presence of a breach of accident prevention legislation, when the event would still have occurred if the employer's conduct had been free from fault.

➢ Financial penalty

From € 25,800.00 to € 387,250.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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- **Relevant notes relating to offences relating to health and safety at work.**

The peculiarity of the offences referred to in this risk area is represented by the fact that, unlike all the other offences relevant to date pursuant to Legislative Decree no. 231/2001, they are of a negligent nature. For the commission of the same offences, negligence, imprudence or inexperience alone is therefore sufficient: therefore, the exemption function of the Organisational Model is represented by the introduction of provisions aimed at ensuring that the recipients of the Model itself carry out conduct in compliance with the provisions of the Consolidated Law on Safety at Work (TUSL), together with the fulfilments and supervisory obligations provided for in the Organisational Model. In particular, art. Article 30 of the TUSL (Legislative Decree no. 81/2008), with reference to (culpable) crimes in the field of health and safety at work, states that:

'The organisational and management model capable of exempting legal persons, companies and associations, including those without legal personality, from administrative liability as referred to in Legislative Decree No 231 of 8 June 2001 [in relation to the commission of one of the offences referred to in Article 231 of the Directive] shall be deemed to be the responsibility of the Member States. 25-septies of the same decree] must be adopted and effectively implemented, ensuring a company system for the fulfilment of all legal obligations relating to:

- compliance with the technical and structural standards of the law relating to equipment and workplaces;

- activities of an organisational nature, such as emergencies, first aid, procurement management, periodic safety meetings, consultations with workers' safety representatives;

- health surveillance activities;

- information and training activities for workers;

- supervisory activities with reference to compliance with procedures and work instructions in safety by workers;

- the acquisition of documentation and certifications required by law;

- regular checks on the application and effectiveness of the procedures adopted.'

Always in mind art. 30:

"*The organizational and management model must provide for suitable systems for recording the performance of activities. In any case, the organisational model must provide, as required by the nature and size of the organisation and the type of activity carried out, an articulation of functions that ensures the technical skills and powers necessary for the verification, assessment, management and control of risk, as well as a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model. The organisational model must also provide for an appropriate control system on the implementation of the same model and on the maintenance over time of the conditions of suitability of the measures adopted. The review and possible modification of the organisational model must be adopted when significant violations of the rules relating to accident prevention and hygiene at work are discovered, or when changes in the organisation and activity in relation to scientific and technological progress are discovered. At the time of first application, the business organisation models defined in accordance with the UNI-INAIL Guidelines for an occupational health and safety management system (OHSMS) of 28 September 2001 or the British Standard OHSAS 18001:2007 are presumed to comply with the requirements of this article for the corresponding parts. For the same purposes, further models of business*

organisation and management may be indicated by the [Permanent Advisory Commission on Health and Safety at Work] referred to in Article 6."

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Risky behaviors

The prevention of accidents and the protection of safety and health in the workplace represent a need of fundamental importance for the Company, to protect its human resources and third parties. In this context, the company is also committed to preventing and repressing conduct and practices that may have the effect of mortifying the employee's professional abilities and expectations, or that lead to his marginalization in the work environment, discrediting or damaging his image. All recipients of the Model must comply with the provisions of the Company in order to preserve the safety and health of workers and promptly communicate, to the identified structures and in the predefined manner, any signs of risk or danger (e.g. the so-called "near-accidents"), accidents (regardless of their severity) and violations of company rules.

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Obligations / Prohibitions of Conduct

The company's policy on health and safety at work must be disseminated, understood, applied and updated at all organizational levels. The Company's general lines of action must be oriented towards a constant improvement of the quality of safety and must contribute to the effective development of a "prevention and protection system". All the company's premises must comply with the provisions on health, safety and hygiene at work (including the pandemic management protocols issued during the Covid-19 emergency) and take them into account when any changes to existing structures are made. The company's structures, in any capacity involved in the management of risks in the field of health and safety at work, as well as all employees, are required to comply with the procedures set out in this protocol, the existing legal provisions on the subject, the internal regulations as well as any provisions of the Code of Conduct.
In particular, all Structures/figures are required, in their respective areas, to:

- define objectives for the safety and health of workers and the continuous identification of hazards;
- guarantee an adequate level of information/training for employees and suppliers, on the safety and health management system defined by the company and on the consequences deriving from non-compliance with the law, as well as the rules of conduct and control defined by the company;
- comply with the provisions and instructions given by the Employer, for the purposes of collective and individual protection, also with regard to the use of work tools;
- immediately report to the Employer any deficiencies in the tools or means provided by the Employer, as well as any other dangerous conditions of which they become aware, working directly, within the scope of their competences, to eliminate or reduce such deficiencies, informing the workers' safety representative (RLS);
- undergo the required health checks;
- define and update (based on changes in the Company's organizational and operational structure) the specific procedures for the prevention of accidents, illnesses and emergencies;
- adapt human resources in terms of number and professional and material qualifications, necessary to achieve the objectives set by the Company for the safety and health of workers;

- provide for the ordinary and extraordinary maintenance of tools, plants, machinery and, in general, company structures;
- apply disciplinary measures in the event of violation of the principles of conduct, the rules set out in the company's Code of Conduct, and the company protocols and procedures in force from time to time.

Within the company, the SB must be brought to the attention of the Head of the Risk Prevention and Protection Service (RSPP) of any modification and/or update of the documentation relating to the occupational safety management system, and in particular:

- the Risk Assessment Document (DVR);
- the Emergency Intervention and Evacuation Plan;
- the procedures put in place to oversee functions related to health and safety at work.

The RSPP will also send to the SB the minutes of periodic meetings for risk prevention and protection (Article 35, Legislative Decree no. 81/2008), environmental analyses and inspections of offices, as well as data on any accidents that have occurred in the workplace, or on measures taken by the judicial authorities or other authorities on the subject of safety and health at work.
The Supervisory Body also carries out the following activities:

- examination of reports concerning alleged violations of the Model, including reports, not promptly detected by the competent parties, regarding any deficiencies and inadequacies in the workplace, work equipment and protective equipment, or concerning a dangerous situation related to health and safety at work;
- monitoring of the functionality of the overall preventive system adopted by the Company with reference to the occupational health and safety sector, as a body suitable for ensuring objectivity, impartiality and independence from the sector of work subject to verification;
- reporting to the Board of Directors, or to the competent corporate departments, regarding updates to the Model, the preventive system adopted by the company or the procedures in force, which may be necessary or appropriate in view of deficiencies detected and following significant changes in the organizational structure.

The Supervisory Body must annually communicate the results of its supervisory and control activities to the Board of Directors and the Board of Statutory Auditors.

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9.8. Offences relating to inducement not to make statements or to make false statements to the judicial authorities (Article 25-decies of Legislative Decree 231/01)

Article 25-decies of Legislative Decree no. 231/2001 – Inducement not to make statements or to make false statements to the judicial authority [Article added by Law no. 116/2009]

'In relation to the commission of the offence referred to in Art. 377-bis of the Criminal Code, a fine of up to five hundred shares shall be applied to the entity'

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

'*Unless the act constitutes a more serious criminal offence, any person who, by violence or threat, or by an offer or promise of money or other benefits, induces the person called upon to make statements before the judicial authority not to make statements or to make false statements which may be used in criminal proceedings, where the latter has the right not to answer, shall be punished with imprisonment of between two and six years*'

- Description of the offence

The article in question penalizes the conduct of anyone who, with violence, threat, or offer of money or other benefits, induces all those who are called upon to make statements in criminal proceedings not to make statements or to make false statements and may avail themselves of the right not to respond. The provision referred to aims to protect the possible exploitation of the right to remain silent granted to suspects and defendants, as well as to the so-called "Secret Rights". suspects/defendants in related proceedings, in order to protect the proper conduct of the trial against all undue interference. Therefore, suspects and defendants (including in related proceedings or in a related crime) who could be induced by the Company to "not respond" or to respond falsely to the judicial authorities (judge, prosecutor) may be the recipients of the conduct.

- Financial penalty

From € 25,800.00 to € 774,500.00.

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Obligations of conduct

- In relations with the judicial authorities, the recipients of the Model are required to provide effective cooperation and to make truthful, transparent and exhaustively representative statements of the facts.
- In relations with the Judicial Authorities, the addressees and, in particular, those who may be suspects or defendants in criminal proceedings, including related ones, relating to their work in the Company, are required to freely express their representations of the facts or to exercise the right not to answer granted by law.
- All recipients must promptly notify the Supervisory Body of any act, summons to testify and judicial proceedings (civil, criminal or administrative) that they are involved, in any respect, in relation to the work carried out or in any case related to it, through the communication tools existing within the company (or with any communication tool, provided that they comply with the principle of traceability).
- The Supervisory Body must be able to obtain full knowledge of the proceedings in progress, also through participation in meetings related to the relevant proceedings or in any case preparatory to the defensive activity of the addressee himself, even in the event that the aforementioned meetings involve the participation of external consultants.

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Prohibitions of Conduct

- The Company expressly prohibits anyone from coercing or inducing, in any form and in any way, in the misunderstood interest of the Company, the will of the Recipients to respond to the judicial authorities or to exercise the right not to respond;

- in relations with the judicial authorities, the recipients of the Model are not allowed to accept money or other benefits, including through consultants who may be appointed by the Company itself;
- in relations with the judicial authorities, any form of conditioning that induces the recipient to make untruthful statements is prohibited;
- all recipients must promptly notify the Supervisory Body of any violence or threat, pressure, offer or promise of money or other benefits, received in order to alter the declarations to be made to the judicial authorities

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9.9. Xenophobia and racism offences (Article 25-terdecies of Legislative Decree 231/2001)

Article 25-terdecies of Legislative Decree 231/01 – Racism and xenophobia [Article added by Law no. 167/2017 and amended by Legislative Decree no. 21/2018]

'*1. In relation to the commission of the crimes referred to in Article 3, paragraph 3 bis, of Law No. 654 of 13 October 1975 (reference to be understood as referring to Article 604-bis of the Criminal Code, pursuant to Article 7 of Legislative Decree No. 21 of 1 March 2018), a fine of two hundred to eight hundred shares shall be applied to the entity.*
2. In cases of conviction for the offences referred to in paragraph 1, the disqualification sanctions provided for in Article 9(2) shall apply to the entity for a period of not less than one year.
3. If the entity or one of its organisational units is permanently used for the sole or predominant purpose of enabling or facilitating the commission of the offences referred to in paragraph 1, the sanction of definitive disqualification from carrying out the activity pursuant to Article 16(3) shall apply.»

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❖ **Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious discrimination** (Article 604-bis, paragraph three, of the Criminal Code)

'The penalty shall be imprisonment of between two and six years if the propaganda or incitement or incitement committed in such a way as to give rise to a real danger of spreading is based in whole or in part on the denial, serious minimisation or apology of the Holocaust or of the crimes of genocide, crimes against humanity and war crimes, as defined in Articles 6, 7 and 8 of the Statute of the International Criminal Court.'

➢ Description of the offence

The offence punishes any organisation, association, movement or group whose aim is incitement to discrimination or violence on racial, ethnic, national or religious grounds, as well as propaganda or incitement or incitement, committed in such a way that there is a real danger of spreading, based in whole or in part on the denial of the Holocaust or the crimes of genocide, crimes against humanity and war crimes, as defined in Articles 6, 7 and 8 of the Statute of the International Criminal Court.

➢ Financial penalty

From Euro 51,600.00 to Euro 1,239,200.00

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

If the Entity or one of its organizational units is permanently used for the sole or predominant purpose of allowing or facilitating the commission of the crimes indicated in paragraph 1, the sanction of definitive disqualification from the exercise of the activity shall apply.

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Risky behaviors

The probability of occurrence of such crimes is considered remote by society. Consider that:

- political propaganda and forms of religious and racial discrimination are strictly prohibited by the principles that inform this Organizational Model (as well as by the provisions and principles contained in the Code of Conduct);
- the purpose of generating an advantage in favour of the company does not appear to be consequential to propaganda activities or instigation or incitement to crimes of genocide or crimes against humanity carried out by the subjects subject to this Organisational Model, although unlawful conduct that may constitute these types of offences cannot be excluded a priori.

Therefore, the Company identifies the following activities as marginally sensitive in the context of the crime in question:

- donations, other donations, advertising and sponsorships in the context of which relationships may arise with organizations aimed at pursuing the purposes sanctioned by Article 604-bis, paragraph three, of the Criminal Code, such as, for example, the sponsorship of events aimed at propaganda, instigation or incitement to the commission of war crimes or crimes against humanity
- communication activities carried out by publishing, radio and television newspapers and websites, under their own responsibility and those of third parties, such as the preparation of advertising and promotional material, including the creation of advertising messages, images and films for institutional and promotional purposes disseminated through the Internet and any other means and channel of communication: the inherent risk is that of complicity in the offence of those who post criminal opinions on their own platforms operated directly and/or by third parties;
- the rental of premises and company spaces to private individuals, organizations, associations, movements or groups with the purpose of political propaganda.

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Obligations / Prohibitions of Conduct

The Company's structures, in any capacity involved in the aforementioned activities, are required to comply with the provisions of the law on the subject and the company's internal regulations. In carrying out the above-mentioned activities considered marginally at risk, company representatives and external collaborators are obliged to conclude contracts only with natural and legal persons for whom appropriate checks, controls and assessments have been carried out in advance; To this end, commercial and financial transactions must be duly documented and the counterparty clearly identified so as to ensure traceability. The data relating to relations with customers and external collaborators must be complete and up-to-date, both for the correct and timely identification of the parties and for a valid assessment of their profile of the transaction and allow subsequent feedback from the Supervisory Body.
In carrying out the above-mentioned activities considered marginally at risk, it is expressly forbidden for company representatives and external collaborators to:

- to engage, promote, collaborate with or cause for the implementation of conduct that, taken individually or collectively, integrates, directly or indirectly, the types of crime included among those considered in Article 25-terdecies of the Decree – Crimes of racism and xenophobia;
- provide, directly or indirectly, through sponsorships or donations, monetary resources in favour of subjects who intend to commit crimes of racism and xenophobia;
- operate in contrast with the ethical rules and company procedures that govern advertising and sponsorship activities;
- enter into contracts and/or carry out commercial and/or financial transactions, both directly and through intermediaries, which have the purpose of contributing to the commission of acts of racism and xenophobia; any financial transaction must presuppose the knowledge of the beneficiary, at least directly, of the relevant amount;
- rent or grant on free loan for use premises and company spaces to individuals, organizations and movements whose purpose is to incite political propaganda or the commission of the crimes regulated in this section of the special part;
- in the event that the Company is proposed a transaction that presents a risk profile for the offences referred to in the case in question, it must be suspended and assessed in advance, also involving the SB, whose opinion will be included in the preliminary investigation during the resolution.

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9.10. Crimes against the individual personality (Art. 25-quinquies of Legislative Decree 231/2001)

Article 25-quinquies of Legislative Decree no. 231/2001 - Crimes against the individual personality [Article added by Law no. 228/2003 and amended by Law no. 199/2016]

'*1. In relation to the commission of the offences referred to in Section I of Chapter III of Title XII of Book II of the Criminal Code, the following financial penalties shall apply to the entity:*
a) for the offences referred to in Articles 600, 601, 602 and 603-bis, a fine of between four hundred and one thousand shares;
b) for the offences referred to in the first paragraph of Articles 600-bis, the first and second paragraphs of 600-ter, even if they relate to the pornographic material referred

to in Article 600-quarter.1 and 600-quinquies, a fine of between three hundred and eight hundred shares;
c) for the offences referred to in the second paragraph of Articles 600-bis, the third and fourth paragraphs of 600-ter, and 600-quarter, even if they relate to the pornographic material referred to in Article 600-quarter.1, as well as for the offences referred to in Article 609-undecies, a fine of between two hundred and seven hundred shares.
2. In the event of a conviction for one of the offences referred to in paragraph 1(a) and (b), the disqualification penalties provided for in Article 9(2) shall be applied for a period of not less than one year.
3. If the entity or one of its organisational units is used on a permanent basis for the sole or predominant purpose of enabling or facilitating the commission of the offences referred to in paragraph 1, the sanction of definitive disqualification from carrying out the activity pursuant to Article 16(3) shall apply."

On this point, the Company deems it appropriate to proceed with an assessment and perimeter of the crime risk solely with reference to the offence of illicit intermediation and exploitation of labour under Article 603-bis, Criminal Code.

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- **Illicit intermediation and labour exploitation** (Article 603-bis *of the* Criminal Code)

'*Unless the act constitutes a more serious offence, any person who:*
1) recruits labour in order to allocate it to work for third parties in conditions of exploitation, taking advantage of the state of need of the workers;
2) uses, hires or employs labour, including through the intermediary activity referred to in paragraph 1), subjecting workers to exploitative conditions and taking advantage of their state of need.
If the acts are committed by means of violence or threats, the penalty of imprisonment from five to eight years and a fine of 1,000 to 2,000 euros applies for each recruited worker.
For the purposes of this Article, one or more of the following conditions shall constitute an indication of exploitation:
1) the repeated payment of wages in a manner that clearly differs from the national or territorial collective agreements stipulated by the most representative trade unions at national level, or in any case disproportionate to the quantity and quality of the work performed;
(2) the repeated infringement of the rules on working time, rest periods, weekly rest, compulsory leave and holidays;
3) the existence of violations of the rules on safety and hygiene in the workplace;
(4) subjecting the worker to degrading working conditions, methods of supervision or housing.
The following constitute a specific aggravating circumstance and entail an increase in the penalty from one third to one-half:
(1) the fact that the number of workers recruited is more than three;
2) the fact that one or more of the recruited subjects are minors of non-working age;
(3) having committed the act by exposing the exploited workers to situations of serious danger, having regard to the characteristics of the services to be performed and the working conditions'

- Description of the offence

These are two distinct criminal cases that, in current language, are grouped together in the phenomenon of the so-called "caporalato", observed mainly in the field of agricultural work:

- the recruitment *of labour against the* law;
- the use of violence and threats for the recruitment *of labour against the law* .

The law determines the "evidentiary orientation indexes" to impute the crime of labor exploitation: they relate to the condition of "repetition" of the conduct relating to the payment of wages that clearly differ from collective agreements or in any case disproportionate to the quantity and quality of the work performed, to the degrading methods of surveillance adopted, as well as to the violation of the regulations relating to working hours and rest times, safety and hygiene in the workplace

➢ Financial penalty

From € 103,200.00 to € 1,549,000.00.

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

If the Entity or one of its organizational units is permanently used for the sole or predominant purpose of allowing or facilitating the commission of the crimes indicated in paragraph 1, the sanction of definitive disqualification from the exercise of the activity shall apply. The provisions of Art. 17 of the Decree ("Reparation for the consequences of the crime").

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Risky behaviors

Particular attention should be drawn to the process of managing human resources and suppliers, given that certain crimes against the individual personality can potentially constitute a vehicle for the illegal procurement of labour, especially foreign labour, and thus become a reservoir from which to draw for the recruitment of personnel. In particular, risky behaviour capable of constituting the offence referred to in art. 603-bis of the Criminal Code:

- the repeated payment of wages in a manner that clearly differs from the national or territorial collective agreements stipulated by the most representative trade unions at national level, or in any case disproportionate to the quantity and quality of the work performed;
- repeated violations of the rules on working time, rest periods, weekly rest, compulsory leave and holidays;
- the existence of violations of the rules on safety and hygiene in the workplace;
- subjecting the worker to degrading working conditions, surveillance methods or housing situations.

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9.11. Offences arising from the employment of illegally staying third-country nationals (Article 25-duodecies of Legislative Decree 231/2001)

Article 25-duodecies of Legislative Decree 231/2001 – Employment of illegally staying third-country nationals [Article added by Legislative Decree No. 109/2012 and amended by Law No. 161/2017]

'*1. In relation to the commission of the offence referred to in Article 22, paragraph 12-bis, of Legislative Decree no. 286 of 25 July 1998, a fine of between 100 and 200 shares is applied to the entity, up to a limit of 150,000 euros.*
1-bis. In relation to the commission of the offences referred to in Article 12, paragraphs 3, 3-bis and 3-ter, of the consolidated text referred to in Legislative Decree no. 286 of 25 July 1998, as amended, a fine of between four hundred and one thousand shares shall be applied to the entity.
1-ter. In relation to the commission of the offences referred to in Article 12, paragraph 5, of the consolidated text referred to in Legislative Decree no. 286 of 25 July 1998, as amended, a fine of between one hundred and two hundred shares shall be applied to the entity.
1-quarter. In cases of conviction for the offences referred to in paragraphs 1-bis and 1-ter of this article, the disqualification sanctions provided for in Article 9, paragraph 2, shall be applied for a period of not less than one year.»

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- **Fixed-term and open-ended employment** (Article 22, paragraphs 12, 12-bis and 12-ter, of Legislative Decree no. 286 of 25 July 1998)

'*12. An employer who employs foreign workers who do not have the residence permit provided for in this article, or whose permit has expired and whose renewal, revocation or cancellation has not been requested within the terms of the law, shall be punished with imprisonment from six months to three years and a fine of 5000 euros for each worker employed.*
12-bis. The penalties for the act provided for in paragraph 12 shall be increased from one third to one-half:
a) if there are more than three workers employed;
b) if the employed workers are minors of non-working age;
c) if the employed workers are subjected to the other particularly exploitative working conditions referred to in the third paragraph of Article 603-bis of the Criminal Code.
12-ter. With the sentence of conviction, the judge applies the ancillary administrative sanction of the payment of the average cost of repatriation of the illegally hired foreign worker.»

- **Seasonal work** (art. 24, paragraph 6, of Legislative Decree no. 286 of 25 July 1998)

'6. *An employer who employs one or more foreigners who do not have a residence permit for seasonal work, or whose permit has expired, revoked or been cancelled, shall be punished in accordance with Article 22(12).*»

- Description of the offence

With Article 2 of Legislative Decree no. 109 of 16 July 2012, the "Consolidated Law on the provisions concerning the discipline of immigration and rules on the condition of foreigners" entered the scope of predicate offences for the administrative liability of entities (Legislative Decree 231/2001), at the same time as the introduction of a series

of aggravating cases for the conduct of entrepreneurs who make use of undeclared work. These are the aggravated hypotheses of the crime that concern the employer who employs, in his employ, foreign workers without a residence permit, or with an expired permit (whose renewal has not been requested, within the terms of the law), revoked or canceled. The aggravating circumstances, against which the sanction pursuant to Legislative Decree 231/2001 will be triggered, in addition to the criminal liability pursuant to Article 603-bis *of* the Criminal Code (see 2.9 above), concern cases in which the workers employed:

- they are more than three in number;
- are minors of non-working age;
- are exposed to situations of serious danger, having regard to the characteristics of the services to be performed and the working conditions.

➢ Financial penalty

From € 25,800.00 to € 150,000.00.

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Risky behaviors

The activities that the Company has identified internally as sensitive in the context of the crime in the epigraph are those in which the Entity operates:

- as an employer who hires workers directly for its own employees;
- as a client of employers who employ workers and who use them for the provision of services, works and contracts (including subcontracts) commissioned by the Entity.

Subjection to the predicate offence can potentially be found in:

- Human Resources management;
- management of services rendered on an ongoing basis by "outsourced" suppliers;
- management of client relationships with suppliers of goods, services, works and contracts (including subcontracts).

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Obligations of Conduct

- The Company's structures, in any capacity involved in the management of workers hired directly by them, are required to comply with the provisions of the law on the subject in the internal regulations.
- The Company's structures, in any capacity involved in the stipulation of new contracts where it is the client of supplies, services, works, works and maintenance, are required to ascertain and ensure that the contractual counterparties, even if not direct as in the case of subcontracts, acknowledge that they have adopted appropriate organizational measures to comply with the legislation on the employment of illegally staying third-country nationals and, more generally, the provisions of the Consolidated Law on immigration and the status of foreigners.
- In relation to contracts with a duration already in progress, in particular for the so-called "Contracts of Duration". "outsourced services", the Company's structures responsible for their management are required to integrate them, where they are incomplete in this regard, by acquiring the declarations of the counterparties, even if not direct as in the case of subcontracts, that they have adopted appropriate organisational measures to comply with the legislation on the employment of

illegally staying third-country nationals and, more generally, the provisions of the Consolidated Law concerning the discipline of immigration and the condition of foreigners.

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9.12. Environmental crimes (art. 25-undecies D. Lgs. 231/2001)

Article 25-undecies of Legislative Decree 231/2001 – Environmental crimes [Article added by Legislative Decree 121/2011, amended by Law 68/2015, Legislative Decree 21/2018 and Law no. 137/2023]

'*1. In relation to the commission of the offences provided for in the Criminal Code, the following financial penalties apply to the entity:*
a) for the violation of Article 452-bis, a fine of between two hundred and fifty and six hundred shares;
(b) for the violation of Article 452-quarter, a fine of between four hundred and eight hundred shares;
(c) for the violation of Article 452-quinquies, a fine of between two hundred and five hundred shares;
d) for aggravated associative offences pursuant to Article 452-octies, a fine of between three hundred and one thousand shares;
e) for the crime of trafficking and abandonment of highly radioactive material pursuant to Article 452-sexies, a fine of between two hundred and fifty and six hundred shares;
f) for the violation of Article 727-bis, a fine of up to two hundred and fifty shares;
g) for the violation of Article 733-bis, a fine of one hundred and fifty to two hundred and fifty shares.
1-bis. In cases of conviction for the offences referred to in paragraph 1(a) and (b) of this Article, in addition to the financial penalties provided for therein, the disqualification sanctions provided for in Article 9 shall be applied for a period not exceeding one year for the offence referred to in the aforementioned letter a).
2. In relation to the commission of the offences referred to in Legislative Decree No 152 of 3 April 2006, the following financial penalties shall apply to the entity:
a) for the offences referred to in Article 137:
(1) for the violation of paragraphs 3, 5, first sentence, and 13, a fine of one hundred and fifty to two hundred and fifty shares;
(2) for the violation of paragraphs 2, 5, second sentence, and 11, a fine of between two hundred and three hundred shares.
b) for the offences referred to in Article 256:
(1) for the violation of paragraphs 1(a) and 6, first sentence, a fine of up to two hundred and fifty shares;
(2) for the violation of paragraphs 1(b), 3, first sentence, and 5, a fine of one hundred and fifty to two hundred and fifty shares;
(3) for the violation of the second sentence of paragraph 3, a fine of between two hundred and three hundred shares;
c) for the offences referred to in Article 257:
(1) for the violation of paragraph 1, a fine of up to two hundred and fifty shares;
(2) for the violation of paragraph 2, a fine of one hundred and fifty to two hundred and fifty shares;
d) for the infringement of the second sentence of Article 258(4), a fine of between one hundred and fifty and two hundred and fifty shares;
e) for the violation of Article 259(1), a fine of between one hundred and fifty and two hundred and fifty shares;

f) for the offence referred to in Article 260 (reference to Article 452-quaterdecies of the Criminal Code pursuant to Article 7 of Legislative Decree No. 21 of 1 March 2018), a fine of between three hundred and five hundred shares in the case referred to in paragraph 1 and between four hundred and eight hundred shares in the case referred to in paragraph 2;
g) for the violation of Article 260-bis, a fine of between one hundred and fifty and two hundred and fifty shares in the case provided for in paragraphs 6, 7, second and third sentences, and 8, first sentence, and a fine of between two hundred and three hundred shares in the case referred to in paragraph 8, second sentence;
h) for the violation of Article 279(5), a fine of up to two hundred and fifty shares.
3. In relation to the commission of the offences provided for in Law no. 150 of 7 February 1992, the following financial penalties shall be applied to the entity:
a) for the violation of articles 1, paragraph 1, 2, paragraphs 1 and 2, and 6, paragraph 4, a fine of up to two hundred and fifty shares;
b) for the violation of Article 1, paragraph 2, a fine of between one hundred and fifty and two hundred and fifty shares;
c) for the offences of the Criminal Code referred to in Article 3-bis, paragraph 1, of the same Law no. 150 of 1992, respectively:
(1) a fine of up to two hundred and fifty shares in the event of the commission of offences for which a maximum penalty of one year's imprisonment is foreseen;
(2) a fine of between one hundred and fifty and two hundred and fifty shares in the event of the commission of offences for which a maximum penalty of two years' imprisonment is envisaged;
(3) a fine of between two hundred and three hundred shares in the event of the commission of offences for which a maximum penalty of three years' imprisonment is provided;
(4) a fine of between three hundred and five hundred shares in the event of the commission of offences for which a maximum penalty of three years' imprisonment is foreseen.
4. In relation to the commission of the offences referred to in Article 3(6) of Law No 549 of 28 December 1993, a fine of between one hundred and fifty and two hundred and fifty shares shall be imposed on the entity.
5. In relation to the commission of the offences provided for in Legislative Decree No 202 of 6 November 2007, the following financial penalties shall apply to the entity:
a) for the offence referred to in Article 9(1), a fine of up to two hundred and fifty shares;
(b) for the offences referred to in Articles 8(1) and 9(2), a fine of between one hundred and fifty and two hundred and fifty shares;
c) for the offence referred to in Article 8(2), a fine of between two hundred and three hundred shares.
6. The penalties provided for in paragraph 2(b) shall be reduced by half in the event of the commission of the offence referred to in Article 256(4) of Legislative Decree No 152 of 3 April 2006.
7. In the event of conviction for the offences referred to in paragraph 2(a), (2), (b), (3) and (f) and in paragraph 5(b) and (c), the disqualification penalties provided for in Article 9(2) of Legislative Decree No 231 of 8 June 2001 shall be applied for a period not exceeding six months.
8. If the entity or one of its organisational units is used on a permanent basis for the sole or predominant purpose of enabling or facilitating the commission of the offences referred to in Article 260 of Legislative Decree No 152 of 3 April 2006 (reference to Article 452-quaterdecies of the Criminal Code pursuant to Article 7 of Legislative Decree No 21 of 1 March 2018), and Article 8 of Legislative Decree No. 202 of 6

November 2007 provides for the sanction of a definitive ban from carrying on the activity pursuant to Article 16(3) of Legislative Decree No. 231 of 8 June 2001."

With reference to the section of environmental crimes, considering the heterogeneity of the regulatory references made by art. 25-duodecies of Legislative Decree 231/2001, the company has decided to proceed with the risk assessment with regard to the following predicate offences.

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- **Environmental pollution** (Article 452-*bis* of the Criminal Code, amended by Law 137/2023)

'*Any person who unlawfully causes significant and measurable impairment or deterioration shall be punished with imprisonment of between two and six years and a fine of between EUR 10 000 and EUR 100 000:*
(1) water or air, or large or significant portions of the soil or subsoil;
2) an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna.
When pollution is produced in a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased from one third to one-half. Where pollution causes deterioration, impairment or destruction of a habitat within a protected natural area or area subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, the penalty shall be increased from one third to two thirds.'

➢ Financial penalty

From Euro 64,500.00 to Euro 929,400.00

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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- **Environmental disaster** (Article 452-*quarter of the* Criminal Code, amended by Law no. 137/2023)

'*Except in the cases provided for in Article 434, any person who unlawfully causes an environmental disaster shall be punished with imprisonment of between five and fifteen years.*
Alternatively, the following constitute an environmental disaster:
1) the irreversible alteration of the balance of an ecosystem;
(2) the alteration of the balance of an ecosystem whose elimination is particularly costly and achievable only by exceptional measures;
3) the offense to public safety due to the relevance of the fact for the extent of the impairment or its harmful effects or for the number of persons injured or exposed to danger.

When the disaster occurs in a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased from one third to one-half.»

➢ Financial penalty

From Euro 103,200.00 to Euro 1,239,200.00

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Culpable crimes against the environment** (Article 452-quinquies of the Criminal Code)

If any of the acts referred to in Articles 452-bis and 452-quarter are committed through negligence, the penalties provided for in the same articles shall be reduced from one third to two thirds.
If the commission of the acts referred to in the preceding paragraph results in the danger of environmental pollution or environmental disaster, the penalties shall be further reduced by one third.

➢ Financial penalty

From Euro 51,600.00 to Euro 774,500.00

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❖ **Aggravating circumstances** (Article 452-octies of the Criminal Code)

Where the association referred to in Article 416 is directed, exclusively or jointly, with the aim of committing any of the offences referred to in this Title, the penalties provided for in Article 416 shall be increased.
When the purpose of the association referred to in Article 416-bis is to commit any of the offences referred to in this Title or to acquire the management or control of economic activities, concessions, authorisations, contracts or public services in environmental matters, the penalties provided for in Article 416-bis shall be increased.
The penalties referred to in the first and second paragraphs shall be increased from one third to one half if the association includes public officials or persons in charge of a public service who exercise functions or perform services in environmental matters.

➢ Financial penalty

From Euro 77,400.00 to Euro 1,549,000.00

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- **Criminal sanctions in the matter of water discharge** (art. 137 of Legislative Decree 152/06)

'1. Except in the cases sanctioned pursuant to Article 29quattuordecies, paragraph 1, Anyone who opens or otherwise carries out new discharges of industrial waste water, without authorization, or continues to carry out or maintain such discharges after the authorization has been suspended or revoked, shall be punished with imprisonment from two months to two years or with a fine from one thousand five hundred euros to ten thousand euros.
2. When the conduct described in paragraph 1 concerns the discharge of industrial waste water containing the hazardous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to Part Three of this Decree, the penalty shall be imprisonment from three months to three years and a fine from 5,000 euros to 52,000 euros.
3. Any person who, other than in the cases referred to in paragraph 5 or referred to in Article 29quattuordecies, paragraph 3, discharges industrial waste water containing the dangerous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to Part Three of this Decree without complying with the requirements of the authorisation, or the other requirements of the competent authority pursuant to Articles 107(1) and 108(4), shall be punishable by imprisonment for a term not exceeding two years.
4. Any person who infringes the requirements concerning the installation and management of automatic controls or the obligation to keep the results of those controls referred to in Article 131 shall be punished with the penalty referred to in paragraph 3.
5. Unless the act constitutes a more serious offence, any person who, in relation to the substances listed in Table 5 of Annex 5 to Part Three of this Decree, in carrying out a discharge of industrial waste water, exceeds the limit values laid down in Table 3 or, in the case of discharge on the ground, in Table 4 of Annex 5 to Part Three of this Decree, or the more restrictive limits set by the regions or autonomous provinces or by the competent authority pursuant to Article 107, paragraph 1, shall be punished with imprisonment for up to two years and a fine of between three thousand euros and thirty thousand euros. If the limit values set for the substances contained in Table 3/A of the same Annex 5 are also exceeded, imprisonment from six months to three years and a fine from six thousand euros to one hundred and twenty thousand euros shall apply.
6. The penalties referred to in paragraph 5 shall also apply to the operator of urban waste water treatment plants who, when discharging, exceeds the limit values laid down in that subparagraph.
7. An integrated water service operator who fails to comply with the reporting obligation referred to in Article 110(3) or fails to comply with the requirements or prohibitions referred to in Article 110(5) shall be subject to imprisonment from three months to one year or a fine of between three thousand euros and thirty thousand euros in the case of non-hazardous waste, and imprisonment from six months to two years and a fine of three thousand euros to thirty thousand euros if it is hazardous waste.
8. The holder of a drain which does not allow access to the premises by the person responsible for monitoring for the purposes referred to in Article 101(3) and (4) shall, unless the act constitutes a more serious offence, be punished with imprisonment for a term not exceeding two years. This is without prejudice to the powers and duties of the persons in charge of the control also pursuant to Article 13 of Law No. 689 of 1981 and Articles 55 and 354 of the Code of Criminal Procedure.
9. Any person who does not comply with the rules laid down by the regions pursuant to Article 113(3) shall be punished with the sanctions referred to in Article 137(1).

10. Any person who fails to comply with the measure adopted by the competent authority pursuant to Article 84(4) or Article 85(2) shall be punished with a fine of between one thousand five hundred and fifteen thousand euros.
11. Any person who fails to comply with the prohibitions on discharge laid down in Articles 103 and 104 shall be punished with imprisonment for a term not exceeding three years.
12. Any person who fails to comply with the regional requirements laid down pursuant to Article 88(1) and (2) to ensure the achievement or restoration of the water quality objectives designated pursuant to Article 87, or who fails to comply with the measures adopted by the competent authority pursuant to Article 87(3), shall be liable to imprisonment for a term not exceeding two years or to a fine of between EUR 4,000 and EUR 40,000.
13. The penalty of imprisonment of between two months and two years shall always apply if the discharge into sea waters by ships or aircraft contains substances or materials for which an absolute prohibition of spillage is imposed pursuant to the provisions contained in the international conventions in force on the subject and ratified by Italy, unless they are in such quantities as to be rapidly rendered harmless by physical processes, chemical and biological diseases, which occur naturally at sea and provided that there is prior authorisation from the competent authority.
14. Any person who carries out the agronomic use of livestock manure, vegetation water from oil mills, and waste water from agricultural holdings and small agri-food holdings referred to in Article 112, outside the cases and procedures provided for therein, or who does not comply with the prohibition or order to suspend activity issued pursuant to that Article, is punishable by a fine of between one thousand five hundred and ten thousand euros or imprisonment for up to one year. The same penalty applies to anyone who carries out agronomic use outside the cases and procedures referred to in current legislation.»

➢ Financial penalties

- For the violations referred to in art. 137, paragraphs 3, 5, first sentence, and 13: from Euro 38,700.00 to Euro 387,250.00;
- For the violations referred to in art. 137, paragraphs 2, 5, second sentence, and 11: from Euro 51,600.00 to Euro 464,700.00;

➢ Disqualification sanctions

For the violations referred to in art. 137, paragraph 2, 5, second sentence, and 11:

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Unauthorized waste management activities** (art. 256 of Legislative Decree 231/2001)

'*1. Except in the cases sanctioned pursuant to Article 29quattuordecies, paragraph 1, anyone who carries out an activity of collection, transport, recovery, disposal, trade*

and brokerage of waste without the required authorization, registration or communication referred to in Articles 208, 209, 210, 211, 212, 214, 215 and 216 shall be punished:
(a) imprisonment for a period of three months to one year or a fine of between two thousand six hundred euros and twenty-six thousand euros in the case of non-hazardous waste;
(b) imprisonment from six months to two years and a fine of between two thousand six hundred euros and twenty-six thousand euros in the case of hazardous waste.
2. The penalties referred to in paragraph 1 shall apply to business owners and managers of entities who abandon or deposit waste in an uncontrolled manner or discharge it into surface or groundwater in breach of the prohibition laid down in Article 192(1) and (2).
3. Except in the cases sanctioned pursuant to Article 29quattuordecies, paragraph 1, Any person who constructs or operates an unauthorised landfill shall be punished with imprisonment from six months to two years and a fine from two thousand six hundred euros to twenty-six thousand euros. The penalty is imprisonment from one to three years and a fine from five thousand two hundred to fifty-two thousand euros if the landfill is intended, even in part, for the disposal of hazardous waste. The conviction or sentence issued pursuant to Article 444 of the Code of Criminal Procedure shall result in the confiscation of the area on which the illegal landfill is built if it is owned by the perpetrator or co-participant in the crime, without prejudice to the obligations of reclamation or restoration of the state of the places.
4. The penalties referred to in paragraphs 1, 2 and 3 shall be reduced by half in the event of non-compliance with the requirements contained in or referred to in the authorisations, as well as in the event of failure to meet the requirements and conditions required for registration or communication.
5. Any person who, in breach of the prohibition laid down in Article 187, carries out unauthorised waste mixing activities shall be punished with the penalty referred to in paragraph 1(b).
6. Any person who carries out temporary storage at the place of production of hazardous medical waste, in violation of the provisions of Article 227(1)(b), shall be punished with imprisonment from three months to one year or with a fine of between two thousand six hundred euros and twenty-six thousand euros. An administrative fine of two thousand six hundred euros to fifteen thousand five hundred euros is applied for quantities not exceeding two hundred liters or equivalent quantities.
7. Any person who violates the obligations referred to in Articles 231, paragraphs 7, 8 and 9, 233, paragraphs 12 and 13, and 234, paragraph 14, shall be punished with an administrative fine ranging from two hundred and sixty euros to one thousand five hundred and fifty euros.
8. The persons referred to in Articles 233, 234, 235 and 236 who fail to comply with the participation obligations provided for therein shall be punished with an administrative fine ranging from eight thousand euros to forty-five thousand euros, without prejudice to the obligation to pay past contributions. Until the adoption of the decree referred to in Article 234, paragraph 2, the sanctions referred to in this paragraph shall not be applicable to the persons referred to in the same Article 234.
9. The penalties referred to in paragraph 8 shall be reduced by half in the case of adhesion made within the sixtieth day of the expiry of the deadline for complying with the participation obligations provided for in Articles 233, 234, 235 and 236.»

- Financial penalties

- For violations of art. 256, paragraph 1, letter a), and 6, first sentence: from Euro 25,800.00 to Euro 387,250.00;
- For violations of art. 256, paragraph 1, letter b), 3, first sentence, and 5: from Euro 38,700.00 to Euro 387,250.00;
- For the violation of art. 256, paragraph 3, second sentence: from Euro 51,600.00 to Euro 464,700.00;

➢ Disqualification sanctions

For the violation of art. 256, paragraph 3, second sentence:

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Illegal burning of waste** (Art. 256-bis of Legislative Decree 152/2006)

'*1. Unless the act constitutes a more serious offence, anyone who sets fire to abandoned or uncontrolled waste is punished with imprisonment from two to five years. In the event that hazardous waste is set on fire, the penalty of imprisonment from three to six years applies. The person responsible is required to restore the state of the places, to compensate for environmental damage and to pay, even in recourse, the costs for the remediation.*
2. The same penalties shall apply to the person who engages in the conduct referred to in Article 255(1) and the criminal conduct referred to in Articles 256 and 259 in relation to the subsequent illegal burning of waste.
3. The penalty shall be increased by one third if the offence referred to in paragraph 1 is committed in the course of the activity of an undertaking or in any case of an organised activity. The owner of the company or the person in charge of the activity, however organized, is also responsible, under the independent profile, for the failure to supervise the work of the material perpetrators of the crime, in any case attributable to the company or the activity itself; The sanctions provided for in Article 9, paragraph 2, of Legislative Decree no. 231 of 8 June 2001 also apply to the aforementioned business owners or those responsible for the activity.
4. The penalty shall be increased by one third if the offence referred to in paragraph 1 is committed in territories which, at the time of the conduct and in any case in the previous five years, are or have been affected by declarations of a state of emergency in the waste sector pursuant to Law No 225 of 24 February 1992.
5. Vehicles used for the transport of waste subject to the offence referred to in paragraph 1 of this Article, incinerated in unauthorised areas or installations, shall be confiscated in accordance with Article 259(2), unless the vehicle belongs to a person unrelated to the conduct referred to in paragraph 1 of this Article and there is no personal complicity in the commission of the offence. The conviction or sentence issued pursuant to Article 444 of the Code of Criminal Procedure shall result in the confiscation of the area on which the offence is committed, if it is owned by the offender

or participant in the offence, without prejudice to the obligations of reclamation and restoration of the state of the premises.
6. The penalties referred to in Article 255 shall apply if the conduct referred to in paragraph 1 concerns the waste referred to in Article 184(2)(e). Without prejudice to the provisions of Article 182, paragraph 6-bis, the provisions of this article shall not apply to the burning of natural agricultural or forestry material, including those derived from public or private green areas.»

The offence in question is not listed in the catalogue referred to in art. 25-undecies D. Lgs. 231/2001. The opportunity to treat it equally lies, first of all, in the risk of possible verification, not marginal, in the context of the company's activity, and in any case as it provides for the application of the disqualification sanctions provided for by art. 9, paragraph 2, of Legislative Decree 231/2001, even if -completely exceptionally- only with regard to the owners of the company and/or those responsible for the activity.

➢ Disqualification sanctions (vs. business owners and/or business managers)

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Criminal sanctions for failure to remediate sites** (Art. 257 of Legislative Decree 152/2006)

'*1. Unless the act constitutes a more serious offence, any person who causes pollution of the soil, subsoil, surface water or groundwater by exceeding the risk threshold concentrations shall be punished with imprisonment from six months to one year or a fine from two thousand six hundred euros to twenty-six thousand euros, if he does not carry out the remediation in accordance with the plan approved by the competent authority in the context of the procedure referred to in Articles 242 et seq. In the event of failure to make the notification referred to in Article 242, the offender shall be punished with imprisonment from three months to one year or a fine from one thousand euros to twenty-six thousand euros.*
2. The penalty shall be imprisonment from one year to two years and a fine of five thousand two hundred euros to fifty-two thousand euros if the pollution is caused by dangerous substances.
3. In the judgment convicting the offence referred to in paragraphs 1 and 2, or in the judgment issued pursuant to Article 444 of the Code of Criminal Procedure, the benefit of a suspended sentence may be made conditional on the execution of the emergency, remediation and environmental restoration measures.
4. Compliance with the projects approved pursuant to Articles 242 et seq. shall constitute a condition of non-punishability for environmental contraventions provided for by other laws for the same event and for the same polluting conduct referred to in paragraph 1.»

➢ Financial penalty

- For the violation referred to in art. 257, paragraph 1: from Euro 28,500.00 to Euro 387,250.00;
- For the violation referred to in art. 257, paragraph 2: from Euro 38,700.00 to Euro 387,250.00;

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❖ **Violations of the obligations of communication, keeping of mandatory registers and forms** (Article 258 of Legislative Decree 152/2006)

'*1. The persons referred to in Article 189, paragraph 3, who do not make the communication prescribed therein or make it incompletely or inaccurately shall be punished with an administrative fine ranging from two thousand to ten thousand euros; If the communication is made within the sixtieth day of the expiry of the deadline established pursuant to Law no. 70 of 25 January 1994, an administrative fine of between twenty-six euros and one hundred and sixty euros shall be applied.*
2. Any person who fails to keep or keeps incompletely the loading and unloading register referred to in Article 190(1) shall be punished with an administrative fine of between two thousand and ten thousand euros. If the register relates to hazardous waste, an administrative fine ranging from ten thousand euros to thirty thousand euros is applied, as well as, in the most serious cases, the optional ancillary administrative sanction of suspension from one month to one year from the office held by the person responsible for the infringement and from the office of director.
3. In the case of undertakings employing fewer than 15 employees, the minimum and maximum penalties shall be quantified in the minimum and maximum measures from one thousand forty euros to six thousand two hundred euros for non-hazardous waste and from two thousand seventy euros to twelve thousand four hundred euros for hazardous waste. The number of work units is calculated by reference to the number of employees employed on average full-time during a year, while part-time and seasonal workers represent fractions of annual work units; For those purposes, the year to be taken into account is that of the last approved accounting year, preceding the time at which the infringement was established.
4. Unless the act constitutes a criminal offence, any person who transports waste without the form referred to in Article 193 or without the substitute documents provided for therein, or who contains incomplete or inaccurate data on the form, shall be liable to an administrative fine of between one thousand six hundred euros and ten thousand euros. The penalty provided for in Article 483 of the Criminal Code applies in the case of the transport of hazardous waste. This last penalty also applies to those who, in the preparation of a certificate of waste analysis, provide false information on the nature, composition and chemical-physical characteristics of the waste and to those who use a false certificate during transport.
5. In the cases referred to in paragraphs 1, 2 and 4, where the information, although formally incomplete or inaccurate, can be found in a correct form from the data reported in the communication to the land registry, in the chronological registers of loading and unloading, in the forms for the identification of the waste transported and in the other accounting records kept by law, an administrative fine of between two hundred and sixty euros and one thousand five hundred and fifty euros shall be applied. The same penalty shall apply in cases of formally incomplete or inaccurate information, but containing the elements necessary to reconstruct the information required by law, as well as in cases of failure to send to the competent authorities and failure to keep the records referred to in Article 190(1) or the form referred to in Article 193. The reduced

penalty provided for in this provision shall apply to the failure or incomplete keeping of chronological records of loading and unloading by the producer when transport forms are present, provided that the date of production and take-over of the waste can be demonstrated, or coincides with the date of unloading of the waste.

6. The persons referred to in Article 220, paragraph 2, who do not make the communication prescribed therein or who make it incompletely or inaccurately shall be punished with an administrative fine ranging from two thousand euros to ten thousand euros; In the event that the communication is made within the sixtieth day from the expiry of the deadline established pursuant to Law no. 70 of 25 January 1994, an administrative fine ranging from twenty-six euros to one hundred and sixty euros shall be applied.

7. Persons responsible for the integrated urban waste management service who fail to make the communication referred to in Article 189, paragraph 5, or who make it incompletely or inaccurately, shall be punished with an administrative fine ranging from two thousand euros to ten thousand euros; In the event that the communication is made within the sixtieth day from the expiry of the deadline established pursuant to Law no. 70 of 25 January 1994, an administrative fine ranging from twenty-six euros to one hundred and sixty euros shall be applied.

8. In the event of violation of one or more of the obligations provided for in Article 184, paragraphs 5-bis.1 and 5-bis.2, and in Article 241 bis, paragraphs 4-bis, 4-ter and 4-quarter, of this decree, the commander of the military range of the Armed Forces shall be punished with an administrative fine ranging from three thousand euros to ten thousand euros. In the event of repeated violation of the same obligations, an administrative fine ranging from five thousand euros to twenty thousand euros is applied.

9. Any person who, by an act or omission, infringes several provisions of this Article, or commits several violations of the same provision, shall be subject to the administrative sanction provided for the most serious infringement, increased by up to twice as much. The same sanction shall apply to those who, with more than one act or omission, enforceable by the same design, commits several violations of the same or different provisions of this article, even at different times.

10. Unless the act constitutes a criminal offence and without prejudice to the obligation to pay any previous contributions that may not have been paid, failure to register or irregular registration in the Register referred to in Article 188 bis, within the timeframe and in the manner defined in the decree referred to in paragraph 1 of the same article, shall result in the application of an administrative fine ranging from five hundred euros to two thousand euros, for non-hazardous waste, and from one thousand euros to three thousand euros for hazardous waste. Failure or incomplete transmission of information data with the timing and methods defined therein will result in the application of an administrative fine ranging from five hundred euros to two thousand euros for non-hazardous waste and from one thousand euros to three thousand euros for hazardous waste.

11. The penalties referred to in paragraph 10 shall be reduced to one third in the event that registration is made in the Register within 60 days of the expiry of the terms provided for in the decree referred to in paragraph 1 of Article 188 bis and in the operating procedures. The mere correction of data, communicated in the manner provided for by the aforementioned decree, is not subject to the sanctions referred to in paragraph 11.

12. The amounts of the penalties referred to in paragraph 10 shall be paid to a specific chapter of the revenue of the State budget in order to be reassigned, by decree of the Minister for the Economy and Finance, to the relevant chapters of the estimates of the

Ministry of the Environment and Protection of Land and Sea, intended for the remediation of the sites referred to in Article 252, paragraph 5, if the conditions referred to in Article 253, paragraph 5 are met, according to criteria and methods of distribution established by decree of the Minister for the Environment and Protection of Land and Sea.
13. The penalties provided for in this Article resulting from the transmission or annotation of incomplete or inaccurate data shall be applied only where the data are relevant for traceability purposes, with the exclusion of clerical errors and formal infringements. In the case of incomplete or inaccurate data relevant to serial traceability, a single penalty shall be applied, increased by up to three times.'

- Financial penalty

For the violation of art. 258, paragraph 4: from Euro 38,700.00 to Euro 387,250.00;

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- **Violations of the IT system for the control of the traceability of waste** (Art. 260-bis of Legislative Decree 152/2006)

'1. Obliged persons who fail to register with the waste traceability control system (SISTRI) referred to in Article 188a(2)(a) within the prescribed time limits shall be liable to an administrative fine of between two thousand six hundred euros and fifteen thousand five hundred euros. In the case of hazardous waste, an administrative fine of fifteen thousand five hundred euros to ninety-three thousand euros is applied.
2. Obliged entities that fail to pay the fee for registration in the waste traceability control system (SISTRI) referred to in Article 188a(2)(a) within the prescribed time limits shall be punished with an administrative fine ranging from two thousand six hundred euros to fifteen thousand five hundred euros. In the case of hazardous waste, an administrative fine of fifteen thousand five hundred euros to ninety-three thousand euros is applied. The verification of the omission of payment is necessarily followed by the immediate suspension of the service provided by the aforementioned traceability control system with regard to the offender. When recalculating the annual fee for registration in the above-mentioned traceability system, account shall be taken of the cases of non-payment governed by this subparagraph.
3. Anyone who fails to fill in the chronological register or the SISTRI - HANDLING AREA form, in accordance with the times, procedures and methods established by the computerised control system referred to in paragraph 1, or who provides the aforementioned system with incomplete or inaccurate information, fraudulently alters any of the technological devices ancillary to the aforementioned computerised control system, or in any case impedes its proper functioning in any way, is punished with an administrative fine ranging from two thousand six hundred euros to fifteen thousand five hundred euros. In the case of companies that employ a number of work units of less than fifteen employees, an administrative fine ranging from one thousand forty euros to six thousand two hundred is applied. The number of work units is calculated by reference to the number of employees employed on average full-time during a year, while part-time and seasonal workers represent fractions of annual work units; For those purposes, the year to be taken into account is that of the last approved accounting year, preceding the time at which the infringement was established. If the information provided, although incomplete or inaccurate, does not affect the traceability of the waste, an administrative fine ranging from two hundred and sixty euros to one thousand five hundred and fifty euros is applied.

4. If the conduct referred to in paragraph 3 is attributable to hazardous waste, an administrative fine of between fifteen thousand five hundred and ninety-three thousand euros shall be applied, as well as the ancillary administrative sanction of suspension from one month to one year from the office held by the person to whom the infringement is attributable, including suspension from the office of director. In the case of undertakings employing fewer than fifteen employees, the minimum and maximum measures referred to in the previous period shall be reduced respectively from two thousand and seventy euros to twelve thousand four hundred euros for hazardous waste. The methods for calculating the numbers of employees shall be carried out in accordance with the procedures set out in paragraph 3. If the information provided, although incomplete or inaccurate, does not affect the traceability of the waste, an administrative fine ranging from five hundred and twenty euros to three thousand one hundred euros is applied.

5. Apart from the provisions of paragraphs 1 to 4, persons who fail to comply with their further obligations under the aforementioned waste traceability control system (SISTRI) shall be punished, for each of the aforementioned violations, with an administrative fine ranging from two thousand six hundred euros to fifteen thousand five hundred euros. In the case of hazardous waste, an administrative fine ranging from fifteen thousand five hundred euros to ninety-three thousand euros is applied.

6. The penalty referred to in Article 483 of the Criminal Code shall apply to a person who, in the preparation of a waste analysis certificate, used as part of the waste traceability control system, provides false information on the nature, composition and chemical-physical characteristics of the waste and to anyone who inserts a false certificate in the data to be provided for the purposes of waste traceability.

7. A transporter who fails to accompany the transport of waste with a paper copy of the SISTRI - HANDLING AREA form and, where necessary on the basis of current legislation, with a copy of the analytical certificate identifying the characteristics of the waste shall be punished with an administrative fine ranging from €1,600 to €9,300. The penalty referred to in art. 483 of the Criminal Code in the case of transport of hazardous waste. The latter penalty also applies to a person who, during transport, makes use of a certificate of analysis of waste containing false information on the nature, composition and chemical-physical characteristics of the waste transported.

8. A transporter who accompanies the transport of waste with a paper copy of the SISTRI - AREA Handling fraudulently altered form shall be punished with the penalty provided for in the combined provisions of Articles 477 and 482 of the Criminal Code. The penalty is increased to a third in the case of hazardous waste.

9. If the conduct referred to in paragraph 7 does not affect the traceability of the waste, an administrative fine ranging from two hundred and sixty euros to one thousand five hundred and fifty euros shall be applied.

9-bis. Any person who, by an act or omission, violates several provisions of this article or commits several violations of the same provision shall be subject to the administrative sanction provided for the most serious violation, increased by up to twice as much. The same sanction shall apply to those who, with more than one act or omission, enforceable by the same design, commits several violations of the same or different provisions of this article, even at different times.

9-ter. No person shall be liable for the administrative violations referred to in this article who, within thirty days of the commission of the offence, fulfils the obligations provided for by the legislation relating to the computerised control system referred to in paragraph 1. Within sixty days of the immediate objection or notification of the violation, the offender may settle the dispute, subject to the fulfilment of the above

obligations, by paying a quarter of the penalty provided. The simplified definition shall prevent the imposition of ancillary penalties.'

➢ Financial penalties

- For the violation of Article 260-bis, paragraphs 6, 7, second and third sentences, and 8, first sentence: from Euro 38,700.00 to Euro 387,250.00;
- For the violation of Article 260-bis, paragraph 8, second sentence: from Euro 51,600.00 to Euro 464,700.00;

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❖ **Criminal sanctions in the field of emissions** (Art. 279 of Legislative Decree 152/2006)

'1. Except in cases to which Article 6(13) applies, to which penalties may be applied pursuant to Article 29quattuordecies, any person who commences the installation or operates of an establishment without the authorisation provided for in Articles 269 or 272 or continues to operate with an expired, lapsed, suspended or revoked licence shall be liable to imprisonment for a period of two months to two years or a fine of between EUR 1 000 and EUR 10 000. The same penalty shall be imposed on anyone who subjects an establishment to a substantial modification without the authorisation provided for in Article 269, paragraph 8 or, where applicable, in the decree implementing Article 23 of Decree-Law No 5 of 9 February 2012, converted, with amendments, into Law No 35 of 4 April 2012. Anyone who subjects an establishment to a non-substantial modification without making the communication provided for in Article 269, paragraph 8 or paragraph 11-bis, or, where applicable, by the decree implementing Article 23 of Decree-Law No. 5 of 9 February 2012, converted, with amendments, by Law No. 35 of 4 April 2012, is subject to an administrative fine ranging from €300 to €1,000, the imposition of which shall be carried out by the competent authority.
2. Any person who, in the course of an establishment, infringes the emission limit values laid down in the authorisation, in Annexes I, II, III or V to Part Five of this Decree, in the plans and programmes or in the legislation referred to in Article 271 shall be punished with imprisonment for a term not exceeding one year or with a fine of up to EUR 10 000. If the violated limit values are contained in the integrated environmental permit, the penalties provided for in the legislation governing that permit shall apply.
2-bis. Any person who, in the course of operating an establishment, infringes the requirements laid down in the authorisation, in Annexes I, II, III or V to Part Five, in the plans and programmes or in the legislation referred to in Article 271 or in the requirements otherwise imposed by the competent authority shall be subject to an administrative fine of between EUR 1 000 and EUR 10 000, which shall be imposed by the competent authority. If the requirements infringed are contained in the integrated environmental permit, the penalties provided for in the legislation governing that permit shall apply.
3. Except in the cases sanctioned pursuant to Article 29quattuordecies, paragraph 7, any person who puts into operation a plant or commences to carry out an activity without having given the prior notice required pursuant to Article 269, paragraph 6, or pursuant to Article 272, paragraph 1, shall be subject to an administrative fine ranging from 500 euros to 2,500 euros. Anyone who fails to make one of the communications provided for in Article 273 bis, paragraph 6 and paragraph 7, letters c) and d)(1), is subject to an administrative fine ranging from €500 to €2,500, which shall be imposed by the competent authority.

4. Except in cases sanctioned pursuant to Article 29k(8), any person who fails to provide the competent authority with emission data pursuant to Article 269(6) shall be subject to an administrative fine of between EUR 1,000 and EUR 10,000(2).
5. In the cases referred to in paragraph 2, the penalty of imprisonment for up to one year shall always apply if the exceeding of the emission limit values also results in the exceeding of the air quality limit values provided for by current legislation.
6. Whoever, in the cases provided for in Article 281, paragraph 1, does not take all the necessary measures to avoid even a temporary increase in emissions shall be punished with imprisonment for up to one year or a fine of up to one thousand and thirty-two euros.
7. For the violation of the provisions of Article 276, in the event that it is not subject to the sanctions provided for in paragraphs 1 to 6, and for the violation of the provisions of Article 277, an administrative fine of between 15,500 euros and 155,000 euros shall be applied. Pursuant to Articles 17 et seq. of Law No 689 of 24 November 1981, this sanction shall be imposed by the region or other authority indicated by the regional law. Existing authorisations shall always be suspended in the event of a repeat offence.'

➢ Financial penalty

For the violation referred to in art. 279, paragraph 5: from Euro 25,800.00 to Euro 387,250.00;

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➢ Description of offences

The subject of environmental crimes affects society as being at high risk of mapping. As it is conceived as a free-form offence ("anyone ... causes..."), pollution in its materiality can consist not only of pipelines that pertain to the hard core - water, air and waste - of matter, but also through other forms of pollution or the introduction of elements, such as chemicals, and, more generally, in any behaviour that worsens the environmental balance. In addition, pollution can be caused both through active conduct, i.e. with the occurrence of a considerably harmful or dangerous event, but also through improper omissive behaviour, i.e. with the failure to prevent the event by those who, according to environmental legislation, are required to comply with specific prevention obligations with respect to that specific harmful or dangerous polluting event.

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Risky behaviors

- disposal of waste typical of ordinary business activities (*e.g.* paper, plastic, toner, discarded electrical, electromechanical and electronic equipment, materials of current use for cleaning the premises, etc.);
- disposal of waste deriving from industrial processes or ordinary maintenance (neon tubes, electrical and electronic parts and components, refrigeration and air conditioning systems, paints and colors, etc.);
- stipulation of contracts for the provision of cleaning services for the premises in use by the company and for the transport and disposal of waste leaving the premises used by the Company; in particular, the verification that the contractual counterparty is in possession of the necessary authorisations;
- stipulation of contracts for the procurement of reclamation, construction, demolition, renovation and rehabilitation of land and buildings owned, owned and/or leased, in

the part concerning the treatment of waste deriving from construction site activities; in particular, the verification that the contractual counterparty is in possession of the necessary authorisations.

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Obligations of conduct

On this point, the head of the Technical/Safety Service is obliged to monitor the adequacy of the internal procedures (*e.g.* the waste procedure) adopted for compliance with current environmental legislation. In particular, it is mandatory to carefully evaluate the environmental consequences of each choice made for the performance of the company's activities. It is also mandatory to notify the Supervisory Body of any conduct that does not comply with the requirements.

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9.13. Tax offences (Art. 25-quinquiesdecies of Legislative Decree 231/2001)

Article 25-quinquiesdecies of Legislative Decree 231/2001 – Tax offences [Article added by Legislative Decree 124/2019 coordinated with Conversion Law no. 157/2019 and amended by Legislative Decree no. 75/2020]

'1. In relation to the commission of the offences referred to in Legislative Decree No 74 of 10 March 2000, the following financial penalties shall apply to the entity:
a) for the crime of fraudulent declaration through the use of invoices or other documents for non-existent transactions provided for in Article 2, paragraph 1, the pecuniary penalty of up to five hundred shares;
b) for the crime of fraudulent declaration through the use of invoices or other documents for non-existent transactions, as provided for in Article 2, paragraph 2-bis, the pecuniary sanction of up to four hundred shares;
(c) for the offence of fraudulent declaration by other means, as provided for in Article 3, a fine of up to five hundred shares;
d) for the offence of issuing invoices or other documents for non-existent transactions, as provided for in Article 8, paragraph 1, a fine of up to five hundred shares;
e) for the offence of issuing invoices or other documents for non-existent transactions, as provided for in Article 8, paragraph 2-bis, a fine of up to four hundred shares;
(f) for the offence of concealment or destruction of accounting documents, as provided for in Article 10, a fine of up to four hundred shares;
(g) for the offence of fraudulent evasion of the payment of taxes, as provided for in Article 11, a fine of up to four hundred shares.
1-bis. In relation to the commission of the offences provided for by Legislative Decree no. 74 of 10 March 2000, if committed in the context of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million euros, the following financial penalties shall be applied to the entity:
(a) for the offence of unfaithful declaration provided for in Article 4, a fine of up to three hundred shares;
(b) for the offence of failure to declare as provided for in Article 5, a fine of up to four to one hundred shares;
c) for the offence of undue compensation provided for in Article 10-quarter, a fine of up to four hundred shares.
2. If, as a result of the commission of the offences referred to in paragraphs 1 and 1-bis, the entity has made a significant profit, the financial penalty shall be increased by one third.

3. In the cases referred to in paragraphs 1, 1-bis and 2, the disqualification sanctions referred to in Article 9(2)(c), (d) and (e) shall apply.'

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Introduction on the relevance of tax offences for the liability of Entities

The introduction of tax offences among the offences capable of determining the criminal liability of the entity changes the perspective from which to evaluate these aspects of business management: if previously, in fact, the related areas of activity were considered sources of indirect or instrumental risk, i.e. conduct aimed at concealing or preparing the commission of crimes such as money laundering, corruption between private individuals or illicit transactions on share capital, with the entry into force of art. *25-quinquiesdecies* , they must be assessed as areas of direct risk.

The main areas at risk therefore fall within the keeping of accounting documentation and the set of declaratory activities aimed at determining taxes; Additional risks must be taken into account in the procedures for managing relations with suppliers, with particular regard to the process of selection and adequate identification of the counterparty. The risks in the context of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million euros lurk for the company mainly in the possible complicity in the commission of the crime, through the provision of financial instruments and channels.

While in general the attempt to commit a crime is not punishable (paragraph 1 of Article 6 of Legislative Decree no. 74 of 10 March 2000), from 30 July 2020 (cit., paragraph 1-bis) the attempt for the declaratory offences provided for in Articles 2, 3 and 4 has criminal relevance if they are cross-border transactions and aimed at evading VAT for at least 10 million euros (in the headings below they are highlighted as "serious cross-border VAT fraud"). In such cases, liability arises pursuant to Legislative Decree 231/2001 not only if the cross-border VAT fraud, perpetrated in the interest or advantage of the entity, is actually consummated, but also in the event that it is only attempted.

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New rules on offences relating to income and value added taxes (Legislative Decree no. 74 of 10 March 2000)

- **Fraudulent declaration through the use of invoices or other documents for non-existent transactions** (Art. 2 of Legislative Decree 74/2000)

'Any person who, for the purpose of evading income tax or value added tax, by means of invoices or other documents relating to non-existent transactions, indicates fictitious liabilities in one of the tax returns shall be liable for a term of imprisonment of between four and eight years.
The act is deemed to have been committed using invoices or other documents for non-existent transactions when such invoices or documents are recorded in the mandatory accounting records, or are held for the purpose of evidence vis-à-vis the tax authorities.
2-bis. If the amount of the fictitious liabilities is less than one hundred thousand euros, imprisonment of between one year and six months and six years shall apply.'

- Description of the offence

The offence is completed with the actual submission of the declaration by reporting fictitious liabilities (fraudulent declaration through the use of false invoices is not punishable by way of attempt). Criminal conduct is carried out by indicating, in the income tax or VAT return, fictitious liabilities, so that everything prior to the declaration is not relevant for the purposes of integrating the crime. Invoices or other documents for non-existent transactions are invoices or other documents having similar evidential value under tax law, issued in respect of transactions that have not actually been carried out in whole or in part or that indicate the consideration or value added tax to a greater extent than the actual amount, or that refer the transaction to persons other than the actual ones.

Non-existent operations can be:

- operations that have never been carried out and therefore objectively non-existent;
- transactions carried out, but for which a higher invoicing than the actual one is indicated (i.e., over-invoicing is carried out);
- subjectively non-existent transactions, i.e. transactions that have been carried out but between different parties, using intermediary parties (in this way the so-called carousel fraud is carried out, a complex tax fraud that is carried out through various expedients).

Of the offences governed by Legislative Decree no. 74 of 10 March 2000, this is the only one for which there is no threshold of punishability given the seriousness of the offence due to the accounting and use of false documents in the declaration, accompanied by specific intent ("in order to evade taxes"). In the event of serious cross-border VAT fraud, the attempt is also punished.

➢ Fine (increased by one third for a significant profit):

- For the violation of art. 2, paragraph 1: from 25,800.00 to 774,500.00
- For the violation of Article 2, paragraph 2-bis: from 25,800.00 to 619,600.00

➢ Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Fraudulent declaration by means of other artifices** (Art. 3 of Legislative Decree 74/2000)

'1. Except in the cases referred to in Article 2, any person who, for the purpose of evading income or value added tax, by carrying out objectively or subjectively simulated transactions or by using false documents or other fraudulent means liable to obstruct the inspection and to mislead the tax authorities, shall be liable to be liable to imprisonment of between three and eight years, means, in one of the tax returns, assets for an amount lower than the actual amount or fictitious liabilities or fictitious receivables and withholdings, when, jointly:

a) the tax evaded is higher, with reference to some of the individual taxes, than thirty thousand euros;
b) the total amount of assets exempted from taxation, including by indicating fictitious liabilities, is greater than five per cent of the total amount of assets indicated in the return, or in any case, is greater than one million five hundred thousand euros, or if the total amount of credits and fictitious withholdings in reduction of the tax, is greater than five per cent of the amount of the tax itself or in any case in euros thirty thousand.
2. The act shall be deemed to have been committed on the basis of false documents where those documents are recorded in the compulsory accounting records or are held for the purpose of evidence vis-à-vis the tax authorities.
3. For the purposes of applying the provision of paragraph 1, the mere breach of the obligations to invoice and to record assets in accounting records or the mere indication in invoices or entries of assets lower than the actual assets shall not constitute fraudulent means.'

- Description of the offence

The offence is a conduct of a commissive nature in which fraudulent support is objectively distinguished from mere accounting violations: these are simulated transactions, use of false documents or other artifices. The offence occurs when, in addition to the indication in the tax return or for VAT purposes of assets lower than the actual ones or fictitious liabilities, simulated transactions are carried out (objectively or subjectively) or false documents or other fraudulent means are used to hinder the assessment and mislead the tax authorities. These are alternative conducts and, therefore, self-sufficient for the integration of the case. In the case of serious cross-border VAT fraud, the attempted offence is also punishable.

- Fine (increased by one third for significant profit)

From € 25,800.00 to € 774,500.00;

- Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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- **Unfaithful declaration, in case of serious cross-border VAT fraud** (Art. 4 Legislative Decree 74/2000)

'1. Except in the cases provided for in Articles 2 and 3, any person who, for the purpose of evading income or value added tax, indicates in one of the annual returns relating to such taxes assets in an amount less than the actual amount or non-existent liabilities shall be punishable by imprisonment of between two years and four years and six months' imprisonment. When, jointly:
a) the tax evaded is higher, with reference to some of the individual taxes, than € 100,000;
b) the total amount of assets exempted from taxation, including by indicating non-existent liabilities, is greater than ten per cent of the total amount of assets indicated in the return, or, in any case, exceeds two million euros.

1-bis. For the purposes of applying the provision of paragraph 1, the incorrect classification, the valuation of objectively existing assets or liabilities, with respect to which the criteria actually applied have in any case been indicated in the financial statements or in other documentation relevant for tax purposes, the violation of the criteria for determining the year of competence, the non-inherence, the violation of the criteria for determining the exercise of competence, the non-inherence, the violation of the criteria for determining the exercise of competence, the non-inherence, the the non-deductibility of real liabilities.
1-ter. Except in the cases referred to in paragraph 1-bis, the evaluations which, taken as a whole, differ by less than 10 percent from the correct ones do not give rise to punishable facts. The amounts included in that percentage shall not be taken into account when verifying whether the thresholds for criminal liability laid down in paragraph 1(a) and (b) have been exceeded.'

➢ Description of the offence

The offence is defined as "instantaneous", since it is understood to have been perfected with the submission of the unfaithful annual declaration; The subsequent supplementary declaration made subsequently is of no relevance. The declarations taken into consideration by the law are only the annual return on the income tax of individuals and legal entities that the subjects are obliged to submit pursuant to Presidential Decree no. 600 of 29 September 1973, articles 1 and 6, and the annual return relating to VAT governed by Presidential Decree 22 July 1998, No 322, Article 8. On the other hand, all other tax returns in our system are excluded. The unfaithful declaration is a specific crime consisting of the "purpose of evading income or value added taxes": a conscience and will is required with reference to the indication of fictitious costs or the failure to indicate revenues, accompanied by the intent to evade taxes, an intent that must be evaluated at the time of consummation of the crime, i.e. at the time of submission of the original declaration.
Attempted crime is also punishable.

➢ Fine (increased by one third for significant profit)

From Euro 25,800.00 to Euro 464,700.00;

➢ Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Failure to declare, in the event of serious cross-border VAT fraud** (Art. 5 Legislative Decree 74/2000)

'*1. Any person who, in order to evade income or value added tax, does not submit one of the declarations relating to said taxes, when the tax evaded is higher, with reference to any of the individual taxes, than fifty thousand euros, shall be punished with imprisonment from two to five years.*

1-bis. Anyone who does not submit a withholding tax return, as he is obliged to do so, is punished with imprisonment from two to five years when the amount of unpaid withholding taxes exceeds fifty thousand euros.
2. For the purposes of the provision referred to in paragraphs 1 and 1-bis, a declaration submitted within ninety days of the expiry of the period or not signed or not drawn up on a printed form conforming to the prescribed model shall not be considered to have been omitted.'

- Description of the offence

It is an offence of its own omission, since it can only be committed by the person required to file the tax return or value added return. The offence is committed instantly at the end of a number of days (period of repentance) following the deadline set by tax legislation for the submission of annual income tax and VAT returns. The offense against tax transparency, which is already realized with the failure to declare, does not in itself constitute the crime, since it is necessary that the tax actually evaded is higher than a certain threshold: it is precisely the exceeding of this threshold that creates the offense for the Treasury, so much so that it is concluded that it is a crime of damage. It is a specific intentional offence, as the submission of the return is intentionally omitted for the specific purpose of evading taxes.
Failure to submit a tax return or VAT entitles the Tax Administration to use inductive methods of tax control, which completely disregard the taxpayer's records, balance sheets, and tax returns.

- Fine (increased by one third for significant profit)

From €25,800.00 to €619,600;

- Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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- **Issuance of invoices or other documents for non-existent transactions** (Article 8 of Legislative Decree 74/2000)

'*1. Any person who, in order to enable third parties to evade income or value added tax, issues or issues invoices or other documents for non-existent transactions in order to enable third parties to evade income or value added tax, shall be punished with imprisonment of between four and eight years.*
2. For the purposes of the application of the provision referred to in paragraph 1, the issuance or issuance of several invoices or documents for non-existent transactions during the same tax period shall be considered as a single offence.
2-bis. If the untrue amount indicated on the invoices or documents, per tax period, is less than EUR 100,000, imprisonment shall apply from one year and six months to six years.'

- Description of the offence

A subjective element of the offence is the specific intent, consisting in the purpose of allowing third parties to evade income or value added taxes, including the possibility of allowing third parties to obtain an undue refund or the recognition of a non-existent tax credit. The conduct consists of issuing or issuing invoices or other documents for non-existent transactions, i.e. the transfer to third parties of ideologically false tax documents that expose:

- transactions not actually carried out in whole or in part;
- documents indicating the fees or VAT in excess of the real amount;
- transactions that refer to entities other than the actual ones.

The non-existent operation can be traced back to:

- the purely legal non-existence, which is that documented by invoices relating to non-existent services as they are of a completely different nature from that shown on the invoice;
- objective non-existence, which is the one documented with invoices relating to services that do not exist because they never took place or took place in part with respect to that indicated on the invoice.

"Other documents" includes receipts, notes, accounts, fees, contracts, transport documents, debit notes and credit notes. Criminal conduct is carried out when the invoice or document leaves the sphere of fact and law of the issuer by delivery or shipment to a potential third party, who has not participated in the perpetration of the forgery; It is irrelevant that the user of the invoice or document indicates the relevant fictitious elements in the declaration, since the legislator has devised an autonomous figure of crime (of mere danger) that is independent of the actual use of the false tax document by the third party. A single document is enough to complete the crime.

➢ Fine (increased by one third for a significant profit):

- for the violation of art. 8, paragraph 1: from 25,800.00 to 774,500.00;
- for the violation of art. 8, paragraph 2-bis: from 25,800.00 to 619,600.00.

➢ Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

*** *** ***

❖ **Concealment or destruction of accounting documents** (Article 10 of Legislative Decree 74/2000)

'*1. Unless the act constitutes a more serious offence, any person who, in order to evade income or value added tax or to enable third parties to evade tax or to enable third parties to evade tax to evade tax or to destroy all or part of the accounting records or documents which must be kept, shall be punishable by imprisonment of between three and seven years. in such a way as not to allow the reconstruction of income or turnover*'.

➢ Description of the offence

This is a crime of concrete danger, since it is not necessary for the occurrence of damage to the Treasury. The case in question presupposes that the accounting documentation has been established, therefore the criminal conduct is that of concealment or destruction (even if only partial) of the mandatory accounting records and not also that of their failure to keep: it takes the form of the unavailability of the documentation by the verifying bodies, whether temporary or definitive. The offence occurs in all cases in which the destruction or concealment of the company's accounting documentation does not allow or makes it difficult to reconstruct the transactions, except when the economic result of the same can be ascertained on the basis of other documentation kept by the entrepreneur and without the need to find the evidence in another place or from another source. In line with the jurisprudence of the Supreme Court, the offence is integrated in all its elements even in the event that it has also been possible to reconstruct the transactions carried out by the taxpayer, given that the legislator intended to sanction even the only conduct that has made, although not impossible, even more difficult the tax audit activity due to the destruction or concealment of the mandatory accounting records. In other words, the impossibility of reconstructing the income or turnover resulting from the destruction or concealment of accounting documents must not be understood in an absolute sense, since it is also necessary to obtain them from third parties in the missing documentation.

➢ Fine (increased by one third for significant profit)

From € 25,800.00 to € 619,600.00.

➢ Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Undue compensation, in the event of serious cross-border VAT fraud** (Article 10-quarter *of* Legislative Decree 74/2000)

'*1. Anyone who fails to pay the sums due, using in compensation, pursuant to Article 17 of Legislative Decree no. 241 of 9 July 1997, credits not due, for an annual amount exceeding fifty thousand euros, is punished with imprisonment from six months to two years.*
2. Any person who fails to pay the sums due by using non-existent debts in excess of EUR 50,000 per annum in accordance with Article 17 of Legislative Decree No 241 of 9 July 1997 shall be liable to imprisonment of between one year and six months and six years.'

➢ Description of the offence

It is a specific crime (committed exclusively by the taxpayer) with general intent (the further specific intent of tax evasion is not necessary), consisting in the awareness and will not to pay the sums due (in the knowledge that they amount to more than fifty thousand euros), which is instantly consummated when the offsetting of undue or non-existent credits is carried out, indicating them in the payment tax form; Criminal conduct can therefore be both commissive and omissive.

➢ Fine (increased by one third for significant profit)

From Euro 25,800.00 to Euro 619,600.00.

➢ Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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❖ **Fraudulent evasion of tax payment** (Article 11 of Legislative Decree 74/2000)

'*1. Anyone who, in order to avoid the payment of income or value added taxes or interest or administrative penalties relating to such taxes for a total amount exceeding fifty thousand euros, simulated alienates or performs other fraudulent acts on his own or on other assets capable of rendering the compulsory collection procedure totally or partially ineffective is punished with imprisonment from six months to four years. If the amount of taxes, penalties and interest is greater than two hundred thousand euros, imprisonment from one year to six years applies.*
2. Any person who, in order to obtain partial payment of taxes and related ancillary taxes for himself or for others, indicates in the documentation submitted for the purposes of the tax settlement procedure assets for an amount lower than the actual amount or fictitious liabilities for a total amount exceeding fifty thousand euros shall be punished with imprisonment from six months to four years. If the amount referred to in the preceding sentence exceeds two hundred thousand euros, imprisonment of between one year and six years shall apply.'

➢ Description of the offence

The prevailing jurisprudence considers the "legal object" of this crime not the right of credit of the Treasury, but the generic guarantee given by the assets of the debtor to the Treasury itself: the aim is to prejudice the tax claim through the real or fictitious impoverishment of the company's assets. Criminal conduct is characterized by rendering ineffective, for oneself or for others, in whole or in part, the compulsory collection procedure or obtaining a lower payment of the total sums due. The conduct may consist of: simulated alienation or other fraudulent acts on one's own or others' property (i.e. an activity of material theft of availability); indicating, in the documentation submitted for the purposes of the tax settlement procedure, assets or liabilities other than the real ones (i.e. an activity of falsification of the assets). This case refers to a concept of fraudulent acts understood as conduct which, even if formally lawful, is nevertheless characterized by conduct of deception or artifice, the mere suitability of the act not being sufficient to hinder the action of recovery of the asset by the Treasury.

➢ Pecuniary penalty (increased by one third for significant profit).

From Euro 25,800.00 to Euro 619,600.00.

➢ Disqualification sanctions:

- Prohibition of contracting with the public administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

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Risky behaviors

The types of potentially impactful tax pursuant to Legislative Decree 231/2001 are IRES and VAT.
The company's activities sensitive to the commission of tax crimes are divided into three levels, based on the risk assessment pursuant to Legislative Decree 231/2001, into:

- direct activities, typically carried out in the context of the tax process; these are identified in the management of the processes of calculation and payment of taxes and submission of tax returns:
  - calculation of taxes and duties;
  - indication, in the declaration form, of the elements necessary for the determination of the income and taxes due;
  - presentation in the declaration of increases and/or decreases compared to the statutory figure;
  - sending and submission of periodic returns;
  - payment of taxes and duties;
  - submission of requests to the Treasury for the offsetting of tax credits.

- first-level instrumental activities, which take place outside the tax process, but in the context of which it is possible to directly commit one or more tax offences 231; These are identified in the management of the administrative-accounting processes that feed the tax returns:
  - accounting and recording of invoices and/or notes issued and/or received;
  - keeping and keeping of records relevant for VAT purposes and accounting records in the field of income taxes;
  - keeping the balance sheet, minutes and reports showing the company's taxable income;
  - determination of transfer pricing in intra-group transactions for the purpose of assessing income components;
  - production of electronic documents and their reproduction on different types of media (characteristics and formats of electronic documents relevant for tax purposes).

- second-level instrumental activities, which are the operational activities that have repercussions on the tax process that are potentially relevant for the commission of tax offences 231; they are identified in the management of the following processes:
  - management of the accounts receivable and sales: selection of customers, negotiation, underwriting and management of sales and collection of related documentation;

- management of the accounts payable and purchasing cycle: selection of suppliers, negotiation, underwriting and management of sales and collection of related documentation;
- management of extraordinary corporate transactions: determination of the tax costs/benefits related to the transaction;
- management and monitoring of relationships with counterparties that carry out cross-border financial transactions.

The activity of preventing the risk of committing tax crimes, or contributing to their commission (in particular of the so-called "Carousel" cross-border fraud), an activity that at the same time oversees the related and impactful reputational risk, is carried out through:

- knowledge of this Organizational Model and related service provisions;
- assessment of tax risk, i.e. the risk of operating in violation of tax rules or in contrast with the principles or purposes of the tax system; this assessment is carried out through detection, measurement, management, control and, where necessary, corrective action of the deficiencies found;
- assignment of roles and responsibilities, according to the company's organizational chart, in relation to the tax risk inherent in the level of activity, including authorization and signing powers, in line with the duties assigned and the positions held and with adequate skills and experience;
- segregation of functions (authorisation, execution, control, independent review of tax returns before they are submitted), including at the level of IT systems, in order to avoid the creation of a mixture of potentially incompatible or conflicting roles, or excessive concentrations of responsibilities and/or powers in the hands of a single person or a few subjects;
- in-depth knowledge of the counterparties entering into a business relationship with the company;
- compliance with the requirements of the legislation on tax and anti-money laundering obligations;
- training of personnel involved in tax and anti-money laundering compliance.

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Obligations and prohibitions of conduct

All subjects subject to this Organizational Model are obliged to comply with the fundamental duties of the taxpayer and to comply with the specific company policies and service provisions on the subject.
In addition:

- <u>All those who carry out direct activities</u> in the field of taxation are required to comply with the following obligations of conduct:
  - submit truthful tax returns in all the points required by the various regulations;
  - keep and maintain tax records with professional diligence;
  - Calculate exactly how much tax you owe and ensure that you pay them on time.

- <u>All those who carry out first-level instrumental activities</u> must:
  - keep accounting records with professional diligence, using company information systems for the management of active and passive invoicing and

related receipts and payments; this is in order to ensure the recording of all the phases of the process that generate a cost/revenue;

- make payments only against invoices or written requests for payment from the other party and as set out in the Contract and subject to the formal authorization of the Contract manager who will certify the performance and/or the occurrence of the conditions provided for in the Contract regarding the payment of the consideration.

Regardless of the level of intervention in the company's activities sensitive to the potential commission of tax crimes, all subjects subject to this Organizational Model are prohibited from engaging in tax fraud, such as:

- conceal or destroy accounting documents;
- record receivable/passive invoices and complete the related collection/payment without adequate documentary support;
- perform simulated transactions, subjectively or objectively;
- acquire and record in the administrative systems documents such as invoices and/or other documents for non-existent transactions, by registering and/or holding them for evidentiary purposes vis-à-vis the Tax Authorities, with which fictitious liabilities or assets lower than the real ones are constituted;
- issue or issue invoices or other documents for non-existent transactions, in order to allow third parties to evade taxes;
- omit the submission of mandatory tax returns;
- submit false tax returns with respect to non-existent, fictitious accounting elements or in any case different from those required by tax law, for example by indicating assets lower than the actual ones or fictitious liabilities, credits or withholdings, in order to evade taxes, thus providing the Treasury with a false representation of the contribution situation;
- to carry out, collaborate and cause the commission of conduct that may fall within the types of crime considered in Legislative Decree no. 74 of 10 March 2000 and, more specifically, by way of example but not limited to:
  - establish ongoing relationships, or maintain pre-existing ones, when it is not possible to implement due diligence obligations towards the counterparty, for example due to the refusal to provide the requested information;
  - in the case of counterparties that have passed the due diligence, to initiate and/or participate in and/or support transactions for which there is a suspicion that there is a relationship with the types of tax crimes listed in this Organizational Model;
  - use current accounts or savings books with fictitious names;
  - accept and execute payment orders from non-identifiable parties, not present in the registry and whose payment is not traceable (amount, name/name, address and current account number) or if the full correspondence between the name of the supplier/customer and the name of the account to which the payment is to be sent/from which the payment is not ensured, after carrying out checks when opening/modifying the supplier/customer master data in the system;
  - participate in any of the acts referred to in the preceding paragraphs, associate with the commission of them, attempt to perpetrate them, aid, instigate or advise anyone to commit them or facilitate their execution;

- carry out corporate, commercial and financial transactions that are developed according to artificially complex tax schemes, when the same transactions can be carried out using commonly used schemes;
- simulate the sale or performance of other legal acts on one's own or other property (material subtraction of availability) in order to render the compulsory collection procedure ineffective or to obtain a lower payment of the total sums due;
- indicate, at the time of the tax transaction, assets or liabilities other than the real ones (falsification of assets) in order to render the compulsory collection procedure ineffective or to obtain a lower payment of the total sums due.

The obligations set out in the paragraph relating to "Corporate crimes" pursuant to Article 25-ter of Legislative Decree 231/2001 also apply to protect the predicate offence regulated in this chapter.

The Supervisory Body periodically verifies, with the support of the control functions, the adequacy of the operating procedures in the tax field and their effective application, in particular:

- the internal organizational structure, including the administrative-accounting system, in terms of the definition of roles and responsibilities and of the company resources allocated, according to principles of segregation of functions;
- the assignment of roles to people with skills and experience to carry out activities of detection, measurement and management and control of tax risk;
- the safeguards and organizational processes for accounting and recording administrative facts, calculating the amounts of direct and indirect taxes payable by the Company and their regular payment on the deadlines provided for by the regulations;
- the methodologies used for the preparation and submission of tax returns, as well as for the management of any critical issues;
- first-level controls aimed at preventing the commission of tax crimes;
- the results of tax compliance audits, including the examination of the underlying of transactions selected on a sample basis;
- the situation and management of ongoing tax disputes.

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9.14. Offences relating to counterfeiting of coins, public credit cards, revenue stamps and instruments or signs of identification (Article 25-bis of Legislative Decree 231/2001)

Article 25-bis of Legislative Decree 231/2001 – Forgery of coins, credit cards, revenue stamps and instruments or signs of identification [Article added by Legislative Decree 350/2001, converted with amendments by Law 409/2001; amended by Law 99/2009; amended by Legislative Decree 125/2016]

'*1. In relation to the commission of the offences provided for in the Criminal Code with regard to counterfeiting of coins, public credit cards, revenue stamps and instruments or signs of identification, the following financial penalties shall be applied to the entity: a) for the offence referred to in Article 453, a fine of between three hundred and eight hundred shares;*

(b) for the offences referred to in Articles 454, 460 and 461, a fine of up to five hundred shares;
(c) for the offence referred to in Article 455, the financial penalties provided for in point (a) in relation to Article 453 and in point (b) in relation to Article 454, reduced from one third to one-half;
(d) for the offences referred to in Articles 457 and 464, second paragraph, fines of up to two hundred shares;
(e) in respect of the offence referred to in Article 459, the financial penalties provided for in subparagraphs (a), (c) and (d) shall be reduced by one third;
(f) for the offence referred to in the first paragraph of Article 464, a fine of up to three hundred shares;
(f-a) for the offences referred to in Articles 473 and 474, a fine of up to five hundred shares.
2. In the event of conviction for one of the offences referred to in Articles 453, 454, 455, 459, 460, 461, 473 and 474 of the Criminal Code, the disqualification penalties provided for in Article 9(2) shall apply to the entity for a period not exceeding one year.'
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- **Spending of counterfeit coins received in good faith** (Article 457 of the Criminal Code)

'Any person who spends or otherwise puts into circulation counterfeit or altered coins received by him in good faith shall be liable to imprisonment for a term not exceeding six months or a fine of up to € 1,032.00

- Description of the offence

In the case referred to in art. 457 of the Criminal Code, the essential and distinctive element is the initial good faith of the person who carries out the criminal conduct; good faith that is broken only at the time of spending or, more generally, when the counterfeit or altered currency is put into circulation.

- Financial penalty

From Euro 25,800.00 to Euro 309,800.00

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9.15. Offences relating to organised crime (Article 24-ter of Legislative Decree 231/2001)

Article 24-ter of Legislative Decree 231/2001 – Organised crime offences [Article added by Law 94/2009, amended by Law 69/2015]

'1. With regard to the commission of any of the offences referred to in the sixth paragraph of Article 416, Article 416-bis, Article 416-ter and Article 630 of the Criminal Code, offences committed in accordance with the conditions laid down in Article 416-bis or in order to facilitate the activities of the associations referred to in that Article, and the offences referred to in Article 74 of the consolidated text referred to in the Decree of the President of the Republic of 9 October 1990, No. 309, a fine of between four hundred and one thousand shares applies.
2. With regard to the commission of any of the offences referred to in Article 416 of the Criminal Code, with the exception of the sixth paragraph or Article 407(2)(a)(5) of the Code of Criminal Procedure, a fine of between three hundred and eight hundred shares shall apply.

3. In cases of conviction for one of the offences referred to in paragraphs 1 and 2, the disqualification sanctions provided for in Article 9(2) shall be applied for a period of not less than one year.

4. If the entity or one of its organisational units is used on a permanent basis for the sole or predominant purpose of enabling or facilitating the commission of the offences referred to in paragraphs 1 and 2, the penalty of definitive disqualification from carrying out the activity pursuant to Article 16(3) shall apply.'

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- **Criminal conspiracy** (Article 416, paragraphs 1-5, of the Criminal Code)

'*Where three or more persons join together for the purpose of committing several offences, those who promote or constitute or organise the association shall be punished for that reason alone with imprisonment of between three and seven years.*
For the mere fact of participating in the association, the penalty is imprisonment from one to five years. Leaders are subject to the same penalty as promoters.
If the associates run through the countryside or public streets in arms, imprisonment from five to fifteen years applies.
The penalty shall be increased if the number of members is ten or more."

- Description of the offence

The crime of criminal association exists for the sole fact of the existence of a permanent associative bond between several persons linked by a common criminal purpose; Therefore, for the existence of the crime, the possible non-consummation of the planned crimes is irrelevant.

- Financial penalty

Article 416 of the Criminal Code, paragraphs 1-5: from 77,400.00 to 1,239,200.00

- Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

If the entity or one of its organizational units is permanently used for the sole or predominant purpose of allowing or facilitating the commission of the crime, the definitive disqualification from the exercise of the activity applies.

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- **Mafia-type association** (Article 416-bis *of* the Criminal Code)

Anyone who is part of a mafia-type association formed by three or more people is punished with imprisonment from seven to twelve years.
'*Those who promote, direct or organize the association shall be punished, for that reason alone, with imprisonment of between nine and fourteen years.*

An association is of the mafia type when those who are part of it make use of the intimidating force of the associative bond and the condition of subjection and omertà that derives from it to commit crimes, to acquire directly or indirectly the management or in any case the control of economic activities, concessions, authorizations, contracts and public services or to make unfair profits or advantages for themselves or for others, or in order to prevent or hinder the free exercise of the vote or to procure votes for oneself or others during electoral consultations. If the association is armed, the penalty shall be imprisonment of nine to fifteen years in the cases provided for in the first paragraph and from twelve to twenty-four years in the cases provided for in the second paragraph. The association is considered armed when the participants have at their disposal, for the achievement of the purpose of the association, weapons or explosive materials, even if concealed or kept in a place of storage.
If the economic activities of which the members intend to assume or maintain control are financed in whole or in part by the price, product, or profit of crimes, the penalties laid down in the preceding paragraphs shall be increased from one-third to one-half.
The confiscation of the things that served or were intended to commit the crime and of the things that are the price, the product, the profit or that constitute the use of the crime is always obligatory in the case of the convict.
The provisions of this article shall also apply to the Camorra and to other associations, however locally named, including foreign ones, which, using the intimidating force of the associative bond, pursue purposes corresponding to those of mafia-type associations.»

Description of the offence

An association can be considered mafia-type, distinguishing itself from the normal and traditional criminal association, when it is characterized by those particular elements indicated in art. 416-bis *of* the Criminal Code, of which the main and essential is the so-called "mafia method" (identified in the intimidating force of the associative bond, in the condition of subjection and in that of omertà) followed for the realization of the criminal program. For the purposes of the crime of mafia-type association, it is not necessary that one or more of the purposes alternatively provided for by the incriminating provision are effectively and concretely achieved. The typicality of the scheme and structure of the offence in question must in fact be understood in the manner in which it manifests itself and not in the purposes that the association pursues or intends to pursue, since the purposes listed in the provision in question cover an almost undefined area of possible types of offence and may also have as their object lawful activities.

➢ Financial penalty

From Euro 103,200.00 to Euro 1,549,000.00

➢ Disqualification sanctions

- Disqualification from carrying out the activity;
- Suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- Prohibition of contracting with the Public Administration, except to obtain the performance of a public service;
- Exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- Prohibition of advertising goods or services.

If the entity or one of its organizational units is permanently used for the sole or predominant purpose of allowing or facilitating the commission of the crime, the definitive disqualification from the exercise of the activity applies.

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Risky behaviors

For the purpose of preventing crimes with associative purposes, the greatest risk is represented by the "counterparty" and the risk of committing conduct that facilitates the latter's illegal activity.
Concretely, the main prevention activity for this category of crimes will be represented by the verification that the natural or legal person with whom the company has commercial relations, contracts, supplies, is in possession of adequate requirements of professionalism and integrity. In light of the structure and nature of the conduct punished by the criminal offences described herein, it is believed that these provisions do not have a significant impact on the Company and that, in any case, the residual risks of committing such offences are adequately covered by the safeguards, already in place, provided for in relation to sensitive activities (*e.g.* principles and provisions of the Code of Conduct; provisions of the relevant internal procedures).