Regulation

D307 – Organisation, Management and Control Model (Governance Model) (Leg. Dec. no. 231/2001) – General Part

Rev. 6 of 24/03/2025

Code: SG COM D307

Approved by the Board of Directors on 24/03/2025

Translation from the Italian original which remains the definitive version.

Salcef Group S.p.A.

LIST OF REVISIONS

REV.	DATE	DESCRIPTION OF REVISION/CHANGE
6	**24/03/2025**	**Update following regulatory changes introduced (Law 206/2023, Law 90/2024, Leg. Dec. 87/2024, Law 112/2024, Law 114/2024, Leg. Decree 129/2024, Leg. Decree 141/2024, Law 166/2024)**
5	14/11/2023	Comprehensive update to reflect the amendments made to Legislative Decree no. 231/01 as well as the changes introduced by Legislative Decree no. 24 of 10 March 2023
4	14/11/2022	Update following regulatory changes introduced by Leg. Decree 184/2021, Leg. Decree 195/2021, Law 238/2021 and Law 22/2022
3	28/01/2021	Update following the stock-market listing of Salcef Group S.p.A., the reorganisation of the Group and the recent regulatory changes (Law 157/2019 and Leg. Decree no. 75/2020)
2	20/02/2019	Update following changes to the company's structure and the recent regulatory changes: Law 161/2017, Law 167/2017, Law 179/2017, Leg. Decree 21/2018, Law 3/2019
1	25/10/2017	Comprehensive update to reflect the regulatory changes introduced in Leg. Decree no. 231/2001 and the evolution of the organisation and business processes
0	19/02/2016	First issue

APPROVAL PROCESS

Drawn up by IAC	Michele Mariella	Nome distintivo: CN = Michele Mariella email = michele.mariella@salcefgroup.com C = IT O = Salcef Group S.p.A. OU = IAC
Checked by CEO	Valeriano Salciccia	Nome distintivo: CN = Valeriano Salciccia email = valeriano.salciccia@salcefgroup.com C = IT O = Salcef Group S.p.A. OU = CEO
Approved by BOD	Gilberto Salciccia	Nome distintivo: CN = Gilberto Salciccia email = gilberto.salciccia@salcefgroup.com C = IT O = Salcef Group S.p.A. OU = BOD

Contents

Purpose and scope of application 6

1 The SG Organisation, Management and Control Model 7

1.1 Introduction 7

1.2 Purposes of the Model 8

1.3 The SG Model issue and maintenance process 9

1.4 SG Model components 10

1.5 Control system pursuant to Leg. Decree 231/2001 14

1.6 The structure of the Model's Explanatory Document 17

1.7 Amendments and supplements to the Model 17

1.8 Adoption and management of the Model within the Salcef Group and in the associative structures to which it belongs 18

2 Supervisory Body 19

2.1 Composition and prerequisites of the SB 19

2.2 Causes of ineligibility, incompatibility, disqualification and withdrawal of mandates of SB members 20

2.3 Functions and powers of the SB 22

2.4 SB reporting to the Corporate Bodies 23

2.5 Information flows to the SB and whistleblowing reports 24

3 Staff training and distribution of the Model inside and outside the company 28

3.1 Introduction 28

3.2 Staff information and training 28

3.3 Information for external collaborators, consultants and partners 29

4 Disciplinary system and measures in the event of breach of the provisions of the Model 30

4.1 General principles 30

4.2 Measures against Directors and Statutory Auditors 31

4.3 Sanctions for employees 31

4.3.1 Managers 31

4.3.2 Production and office workers and executives 32

4.4 Measures in relation to collaborators, auditors, consultants, partners, counterparties and other external parties 32

4.5 Procedure for application of penalties and sanctions 33

5 Updating and amendment of the Model 34

Glossary and references 35

Definitions 35

Acronyms 35

Reference Standards 36

Company reference documents 36

Annex A Italian Legislative Decree 231/2001 and the predicate offences 38

A.1 Italian Legislative Decree No. 231/2001 as amended and supplemented 38

A.2 Crimes attempted and committed abroad 39

A.3 Procedures for investigation of the crime and assessment of appropriateness of the Model by the Courts 40

A.4 Exemption conditions 40

A.5 Applicable sanctions 41

A.6 Changes to the organisation's status 43

A.7 List of predicate offences 44

Art. 24 and Art. 25 - Offences against the Public Administration 44

Art. 24-*bis* - Computer crimes and the unlawful processing of data 55

Art. 24-ter - Organised crime offences 61

Art. 25-bis - Counterfeiting of currency, legal tender, revenue stamps, instruments or identification marks 65

Art. 25-*bis* 1 – Crimes against industry and trade 70

Art. 25-*ter* - Corporate offences 72

Art. 25-quater - Crimes involving terrorism or the subversion of the democratic order) 79
Art. 25-quater.1 - Female genital mutilation practices 86
Art. 25-quinquies – Crimes against the individual 87
Art. 25-sexies - Market abuse 92
Art. 25-septies - Manslaughter or serious or grievous bodily harm through breach of occupational health and safety legislation 94
Art. 25-octies - Receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering 96
Art. 25-octies.1 – Crimes relating to non-cash means of payment and fraudulent transfer of values 99
Art. 25-novies - Offences relating to copyright infringement 102
Art. 25-decies - Incitement not to make statements or to make false statements to the Judicial Authorities 105
Art. 25-undecies - Environmental offences 112
Art. 25-duodecies - Employment of third-country nationals staying in Italy illegally 133
Art. 25-terdecies – Racism and Xenophobia 135
Art. 25-quaterdecies - Cheating in sporting competitions, illegal gaming or betting and games of chance by means of prohibited devices 136
Art. 25-quinquiesdecies – Tax offences 137
Art. 25-sexiesdecies - Smuggling offences 141
Art. 25-septiesdecies – Offences against the cultural heritage 149
Art. 25-duodevicies - Laundering of cultural assets and devastation and plundering of cultural and landscape assets 154

Annex B Reference Documents 158

Purpose and scope of application

This document is drawn up in compliance with Legislative Decree no. 231 by analysing the business environment of Salcef Group S.p.A. and the relevant regulatory framework; it also deals with:

- the Supervisory Body;
- the disciplinary system and the system of penalties for any violations;
- the corporate training and communication plan;
- the criteria for updating the Model.

This regulation, drawn up in accordance with the policies and procedures currently in force, is a company operational tool. It is also a fundamental part of the Organisation, Management and Control Model (Governance Model) adopted under the terms of Italian Legislative Decree no. 231/01, of which it forms an integral part, (see also Regulation D310 – Salcef Group Code of Ethics and Conduct and Regulation D312 - Organisation, Management and Control Model (Governance Model) (Leg. Dec. no. 231/2001) - Special Parts).

This regulation applies to all workers (blue-collar workers, clerical workers, executives and senior managers), consultants, collaborators and other third parties, and all those with representative and administrative functions, working in Italy and abroad, and the members of the Corporate Bodies (for the list of Recipients of the Model see §1.1).

This regulation is applied by Salcef Group S.p.A.

1 The SG Organisation, Management and Control Model

1.1 Introduction

Salcef Group S.p.A. (hereinafter "SG", "Salcef Group" or "Company") is a joint stock company incorporated under Italian law, parent company of the Salcef Group, whose corporate purpose is the acquisition of contracts for and the execution of works and concessions for the construction, maintenance, renewal, design and operation of railways, tramways, subway lines and funicular railways. The Salcef Group's main customers on the domestic and international markets are transport service authorities and operators.

The Salcef Group consists of Italian and foreign companies as well as foreign branches.

Over the years, the Group's annual consolidated turnover has grown constantly, owing both to an external growth strategy, through acquisitions and diversification operations, and a domestic growth strategy in the Italian market.

SG operates as the company responsible for the direction and coordination of the Salcef Group and consists mainly of organisational and managerial staff. SG also holds certification, for all its activities, under the ISO 9001 standard, as well as ISO 14001 for its environmental management and ISO 45001 for the management of the occupational health and safety system.

The Company is managed by a Board of Directors (hereinafter "BOD"), one of the members of which is the Chief Executive Officer (hereinafter "CEO of SG") and has also appointed a Board of Statutory Auditors consisting of three regular and two alternate members.

SG also provides a number of staff services for its subsidiaries.

For its foreign branches, SG has established governance mechanisms to oversee their operations. In particular, for each branch established for the fulfilment of contracts abroad, the Company has:

- defined a functional organisation chart and an administrative structure which interfaces with and is answerable to the competent SG function on specific topics;
- appointed a Branch Manager, who reports to the CEO of SG, who heads all branch employees hired abroad and/or on secondment from the Salcef Group; the branch manager holds suitable delegated powers and is the branch's Legal Representative, directing and managing all its activities (accounts and taxes, HR management, financial planning, order management, asset management, customer relations, health, safety and environmental compliance, etc.) within the limits of the powers awarded.

In order to ensure that the behaviour of all those working on the behalf or in the interest of the Company is always compliant with the relevant laws and regulations and consistent with the principles of ethics and transparency in the conduct of the company's business and operations, SG has adopted an Organisation, Management and Control Model (Governance Model) (hereinafter "Model"), in line with the requirements of Legislative Decree no. 231 of 2001 (hereinafter "Decree" or "Leg. Dec. 231/2001"; for further information regarding the Decree, reference should be made to Annex A - Leg. Dec. 231/2001 and the predicate offences of the Model) and in accordance with the Guidelines issued by Confindustria and updated over time.

The following people are Recipients of the Model (hereinafter the "Recipients") and thus obliged to be familiar with and apply it, within the context of their specific responsibilities and tasks:

- the BOD members, including the CEO of SG, in the pursuance of the corporate purpose in all the decisions taken and, in all cases, all those who (*de facto* or otherwise) represent, manage, administer,

direct or control the Company or any of its business units, endowed with financial and functional autonomy;
- the members of the Board of Statutory Auditors, in their control and audit of the formal correctness and substantive legality of the Company's operations and the operation of its internal control and risk management system;
- the members of the Supervisory Body;
- all employees (including those working at the branches);
- all those who, although they do not belong to the Company, operate under its mandate or in its interest, within the limits of the relevant relationship and the risk profile pursuant to Leg. Dec. 231/2001 with regard to the tasks undertaken;
- all those working with the company, against payment or free of charge, in any way (such as, but not limited to, consultants, suppliers and third parties in general), within the limits of the relevant relationship and the risk profile pursuant to Leg. Dec. 231/2001 with regard to the tasks undertaken.

Recipients are obliged to comply strictly with all the Model's provisions, also with regard to the fulfilment of the duties of rectitude and diligence established by their legal relationships with SG.

Salcef Group S.p.A. disapproves of and punishes any behaviour which fails to comply with the law and the provisions of the Model, even if the conduct is undertaken in the conviction that it even partially pursues the Company's interest, or with the aim of benefiting it.

1.2 Purposes of the Model

The purposes of the Model are as follows:

- to strengthen and complete the SG corporate governance system, which oversees the management and control of the Company;
- to define a structured and organic system of tools and instruments for preventing and controlling the risk of committing the offences referred to in the Decree (hereinafter "predicate offences"; for the types of predicate offences, refer to Annex A of the Model);
- to inform and train the Model's Recipients with regard to the existence of the system and the need for their conduct to constantly comply with it;
- to reinforce the message that Salcef Group does not tolerate illegal behaviour, regardless of the end pursued, or whether the culprit was erroneously convinced that they were acting in the Company's interest or to its advantage, since in all cases such behaviours are contrary to the core ethical principles and values of SG, and thus to its interests;
- to inform and raise the awareness of all those working in SG's name, on its behalf or in its interest in any way, that the commission of a predicate offence on the mistaken impression that it is in Company's interest leads not only to penalties under criminal law for the offender but also to administrative penalties for the Company (for further information about penalties under Leg. Dec. 231/2001 see Annex A - Leg. Dec. 231/2001 and the predicate offences of the Model) and may damage its finances, business and image;
- to inform all those working in the name, on the behalf or in any way in the interest of Salcef Group that breach of the provisions of the Model will lead to disciplinary and/or contractual measures, regardless of whether or not an offence is actually committed.

1.3 The SG Model issue and maintenance process

SG guarantees that the Model is operational, updated and constantly implemented according to the methods recommended by the Confindustria Guidelines and the relevant best practices.

The Company approved its Organisation, Management and Control Model pursuant to the Decree in 2010, and it has updated it by subsequent resolutions, in response to additions to the regulatory framework and changes to the Company's organisation and processes.

In particular, SG:

- performs a regular risk assessment on the activities exposed to the risk of commission of the offences envisaged by the Decree, in the sense of organisational areas or processes in which, in theory, the predicate offences might be committed, through updates to the regulations, analysis of the company context, and assessment of previous case histories within the company's organisation. In accordance with the recommendations of the Confidustria Guidelines, the risk assessment identified categories of predicate offences covered by the Decree considered relevant for SG, after which the criticalities which had occurred during the operations of SG and the Salcef Group companies in the past were considered. Special attention was focused on those areas which, partly on the basis of past experience, were identified as most exposed to the potential risk of commission of the predicate offences, and the checks put in place by the Company to prevent this risk were analysed. Further to identification of the areas at risk and the relevant categories of offences, the sensitive activities, meaning the activities during the performance of which the offences envisaged by the Decree could potentially be committed, were identified within each area. Amongst the sensitive activities identified, those which, hypothetically, could be considered as potential means of commission of the offences under consideration were then pinpointed.

  The output from this activity is a document containing the map of the company's operations, identifying the areas with risk of or potentially instrumental to the commission of offences and specifying the relative sensitive activities and the categories of offence to which they are potentially associated (hereinafter "map of risk areas"). Examples of the ways in which the predicate offences covered by the Decree may be committed are provided in the Special Parts of the Model.

  The areas of activities at risk also include those which, as well as having direct significance as activities which could involve illegal conduct, could also be indirectly significant for the commission of the predicate offences, being instrumental to their commission. Instrumental activities are, in particular, those in which the conditions may occur which allow the commission of the predicate offences in the context of the areas directly assigned to perform the activities specifically referred to by the offence in question.

  With regard to all risk areas and instrumental areas, consideration is also given to any indirect relationships, meaning existing or possible relationships between SG and third parties. It is important to note that the risk profiles relating to the business of Salcef Group are also assessed with regard to the possibility that Company staff may collaborate with third parties, either occasionally or temporarily (joint liability) or in an organised manner for the purposes of committing an indefinite series of offences (organised crime offences). Attention was also paid to the possibility that the offences considered might be committed abroad or on a cross-border basis.

Currently, potential risks have been identified with regard to the offences covered by articles 24, 24 *bis* and 24 *ter* (also relating to translational crimes), 25, 25 *bis*, 25 *bis* 1, 25 *ter*, 25 *quater*, 25 *quinquies*, 25 *septies*, 25 *octies* and *octies*.1, 25 *novies*, 25 *decies*, 25 *undecies*, 25 *duodecies*, 25 *terdecies*, 25 *quinquiesdecies*, 25 *sexiesdecies*, 25 *septiesdecies* and 25 *duodevicies* which will be specifically discussed in greater detail in the Special Parts of the Model.[1]

The Company also has a complex of organisational and procedural measures in place with regard to the other categories of offence, not specifically examined in the Special Parts of the Model, in order to ensure that the company's business is correctly conducted, and thus also minimise the risk of commission of these offences. Reference here is first and foremost to the principles set out in the internal regulatory system;

- on the basis of the map of risk areas, it monitors and analyses the system of existing preventive controls implemented within them (organisational system, authorisation system, management control system, documentation monitoring and control system, operating procedures, etc.) in order to assess their fitness for the purpose of preventing the risk of offences ("as-is analysis").

  Audits of the system of preventive controls also cover the activities undertaken by external companies under service contracts, bearing in mind the:
  - formal statement of the services provided in specific service contracts;
  - provision of measures to control the activities actually undertaken by the mandated companies, on the basis of the services defined by the contract;
- identification of areas where the system of controls can be completed and/or reinforced, with definition of the relative corrective measures to be taken ("*gap analysis*");
- monitoring of the constant implementation of the behavioural principles and procedural rules enforced by the Model and verification that the control tools are truly suitable and operational, with continuous monitoring of effective compliance with the Model.

1.4 SG Model components

The Model is based on an architecture characterised by the following components:

- an **internal regulatory system**, intended to prevent the predicate offences, which includes, amongst other things:
  - Regulation D310 – Salcef Group Code of Ethics and Conduct, adopted by SG, which contains the core principles governing the conduct of the Salcef Group's business (ethical principles and behavioural rules which must be followed, during the conduct of the company's business and its activities, by all those working on behalf of or in the interest of the Group);
  - Regulation D305 – Labour Rules, which describes the main rules of conduct to be applied at work;
  - although they formally consist of documents which are separate from the documentation of the Model itself, the Group's Code of Ethics and Conduct and the "*Labour Rules*", are to be considered as an integral part of the Model;

[1]Only with regard to the offences covered by art. 603-*bis* of the Criminal Code "*Illegal intermediation and exploitation of labour*" *("gangmastering").*

- internal procedural rules approved by the governing body or a delegated entity[2] also intended to regulate working procedures in areas at risk, which provide the rules to be followed when performing company activities, specifying the checks to be performed to ensure their ethics, efficacy and efficiency.

  The internal procedural rules applicable to the risk areas include:

  - separation, within each process and as far as the characteristics of the organisational structure allow, between the person who takes and authorises the decision, the person who implements it and the person who controls the process ("separation of functions");
  - documented traceability of every significant step in the process;
  - a suitable level of formal statement, distribution and communication of the relative rules.

  Internal procedural rules are permanently stored in the company's Intranet, in the applicable version, and are clearly traceable and usable by the Company's employees who have access to the service. The Company also keeps a consultable paper copy of the internal procedural rules (for example for production workers, who do not have access to the Intranet service).

  The complete distribution of the documents which make up the internal regulatory system, including the disciplinary system, is also assured through the timely delivery of the materials to the relevant people in paper form.

  For an overview of the internal procedural rules applicable to the risk areas, refer to Annex B of the Model.

  SG has also defined the responsibilities, procedures and timescales for the writing, updating, verification, approval and distribution of the internal procedural rules[3].

  In addition to the internal procedural rules, reference must also be made to the high-quality, nationally and internationally accepted, IT procedures (apps) used to support the company's activities. They constitute the "guidelines" for the procedures for performing specific transactions and ensure a high level of standardisation and compliance, since the processes which these apps manage are validated upstream of issue of the software.

- a **management control system** and a **cash flow control system** in the activities at risk.

  Cash flows are managed in compliance with the principles of traceability and availability of documentary evidence of the operations undertaken, and consistency with the powers and responsibilities assigned. For this purpose, SG also publishes an annual budget (income/expenditure/sourcing of any finance required), which is regularly updated.

---

[2]In accordance with the company documentation system, the main internal procedural rules are:
- **Procedures**: Documents which define the procedures for performing an activity or an interconnected series of activities. A procedure states who does something, what they do, how, where, when and why they do it and who is responsible.
- **Instructions**: Documents which provide recommendations for the correct management of the activity to which they refer. An instruction establishes an action to be performed or specifies how an activity is carried out;
- **Regulations:** Documents which define procedures, behaviours or a sequence of actions, formally defined in the regulation or standard, which must be systematically complied with.

[3]See Procedure P114 – Management of Documentation.

The management control system adopted by SG (Procedure P156 – Company Planning and Control Activities) also comprises the various stages in preparation of the annual budget, the work plans and operational scheduling of orders, analysis of the related periodic reports and the production of forecasts.

The system guarantees:

- the involvement of a number of different parties, in terms of the appropriate separation of functions which produce and transmit data, so that all expenditure is applied for, authorised, made and checked by independent departments or, as far as possible, separate parties;
- the conservation of the company's assets, with the associated ban on risky financial operations;
- the capability for the immediate reporting of any anomalies or the existence and occurrence of critical situations through an appropriate, swift, system of information flows and reporting, also through the Supervisory Body ("SB" or "Body") if they are significant with regards to the contents of the Decree;

- an **organisational structure** consistent with the company's activities, capable of ensuring ethical conduct, and guaranteeing a clear, coherent attribution of tasks and appropriate separation of functions, in line with the characteristics of the structure itself, ensuring that the mechanisms envisaged by the organisational structure are actually implemented and controlled, by means of:
  - a formally defined organisation chart, which describes the Company's organisational model and identifies the hierarchical and functional lines of dependence of all Directorates, Departments and Offices (hereinafter, jointly, "company functions");
  - Regulation D308 – Corporate Organisation, which not only defines the company's organisation but also establishes the hierarchical dependence, reporting, scope and structure of each company function, as well as the relative responsibilities, tasks and activities, accurately reflecting the way in which the company's functions actually operate;
  - Regulation D309 – Persons with Responsibility within the Organisational Structure, which identifies the main company officers within the organisational structure;
  - service agreements with third parties, which may belong to the Salcef Group, used to manage entire processes or their single portions;
  - a formally defined architecture of powers (proxies and powers of attorney) which is an integral and substantial part of the Model.

    Specifically a proxy (awarding "management" powers) is an internal deed which assigns functions, tasks and responsibilities. Authorisation power, which is power of approval valid within the company, correlated to the exercise of a proxy, is strictly correlated to the proxy itself (one example of an internal authorisation power is the power to approve the so-called Purchase Requests). Proxies are awarded by means of the aforesaid Regulation D308 – Corporate Organisation and Regulation D309 – Persons with Responsibility within the Organisational Structure.

    The power of attorney (the power "to sign for/represent the company") is awarded by means of a unilateral legal deed by which the Company assigns specific representation powers, empowering the recipient to represent it in relation to third parties.

    These powers are strictly related to and consistent with the organisational and management responsibilities assigned, and limited to clearly designed value ceilings where appropriate.

    In particular, with regard to the power of attorney system, the Company awards:

    - permanent representation powers, awarded through registered powers of attorney witnessed by a Notary Public, with regard to performance of the activities related to the permanent responsibilities assigned within the company's organisation;
    - powers relating to individual transactions, awarded by power of attorney not necessarily witnessed by a Notary Public, in accordance with the laws which define the forms of

representations and specifying the single types of deeds to be signed, also considering the different requirements concerning the legal validity of the powers in relation to third parties.

The underlying principles of the system for the award of powers are as follows:

- definition of roles, responsibilities and controls within the award process, and maintenance and revocation of proxies and powers of attorney;
- granting, updating and revocation of powers in accordance with the roles covered in the organisation; in particular, constant updating and consistency is ensured between the system of powers and the organisational and managerial responsibilities defined, on the occasion, for example: of the review of the company's macro-organisational structure (establishment of new organisational units); significant changes in responsibility and turnover in key positions in the structure; subjects leaving the organisation who have corporate powers or subjects joining the organization who need corporate powers;
- dissemination of information concerning the allocation of the responsibilities assigned and any changes;
- regular review of conformity of exercise of representation powers with the deed awarding them;
- regular monitoring of the adequacy of the system of powers and updating of it in response to any changes in the company's business.

The additional essential requirements for the system for the award of proxies and authorisation powers, subject to the core principles set out above, are as follows:

- proxies must link each management power and the relative responsibilities to an appropriate position within the organisation, taking care not to concentrate too many powers in the hands of a single person;
- proxies and authorisation powers are defined (by means of the aforesaid Regulations) by the CEO of SG, who is responsible for ensuring that they remain appropriate over time;
- the powers assigned must be consistent with the company's objectives.

The essential requirements for the award of powers of attorney, subject to the core principles set out above, are as follows:

- every person empowered to represent SG must hold a power of attorney, which specifically identifies the person authorised to represent the company in relation to counterparties, including the Public Administration;
- every power of attorney shall define in detail the powers conferred on the person concerned;
- powers of attorney shall be consistent with the management and authorisation powers conferred on the individual legal representative, except in the case of powers of attorney for single transactions;

- a **pay system** for workers and for those who, although they are not employees, operate under mandate or in the interests of the Company, designed with the aim of providing fair pay for the role occupied, bearing in mind the responsibilities assigned and the skills and capabilities shown;
- a **system for the management of outsourced processes,** for which the Company has defined the outsourced operations, the supplier selection criteria - in terms of professionalism, reputation, good standing and financial capacity - and the methods for assessing their performance level.

  SG has signed service contracts (1st level Intercompany Service Agreements) to regulate its relations with other companies, including those which belong to the Salcef Group, which supply it with services. These agreements specify:
  - the activity to be supplied, the procedures for the provision of the service and the relative fee;
  - that the supplier must perform the outsourced activities appropriately, in accordance with current legal requirements and the Company's instructions;

- that the supplier must guarantee the non-disclosure of data relating to SG;
- that the Company has the right to control and access the supplier's activities and documentation;
- a system of penalties in the event of breach of contract;
- that the contract cannot be even partially subcontracted without the Company's consent;
- specific clauses with regard to corporate administrative liability;

- the appointment of a **Supervisory Body** - which meets the relative requirements of autonomy, independence, continuity of action and professionalism - tasked with overseeing the operation of and compliance with the Model and suggesting any updates to it, further to the award to the said Body of powers, resources and access to the information necessary for the fulfilment of its function;
- the provision of a **training and education system** to give all Recipients consolidated knowledge of the principles and rules with which the actual operations of SG must comply;
- the creation of a specific **disciplinary system** to punish any breach of the Model (see §4 and Regulation D306 - Disciplinary Code).

1.5 Control system pursuant to Leg. Decree 231/2001

The company aims to implement an effective preventive control system that is such that it cannot be circumvented except fraudulently, also for the purpose of excluding the administrative liability of the company.

The following are the criteria followed when establishing the control measures intended to prevent the risk of commission of the predicate offences. There are three types of controls:

- **general control principles**, with which decisions with regard to the design of the internal control and risk prevention system must comply, regardless of the degree of relevance of the individual types of offence or the degree of risk assigned to each of the risk areas identified;
  - **separation of functions** - as far as the characteristics of the organisational structure allow, there must be separation of activities between the people who perform, verify and authorise operations;
  - **existence of formal internal procedural rules and standards** - there must be company rules capable of regulating activities, responsibilities and controls;
  - **existence of proxies and powers of attorney** - there must be formal rules for the exercise of proxies and powers of attorney; every single operation or transaction is carried out in compliance with the proxies and powers of attorney in force;
  - **traceability** - individuals, the company functions concerned and/or the IT systems used must ensure that it is possible to identify and trace the sources, the information used and the checks applied which underlie the company's decision-making processes and the procedures for the management of financial resources;
- **general principles of conduct**, providing for general behavioural provisions aimed at standardising the making and implementation of decisions, within each of the crime areas deemed most relevant or significant;
- **preventive control principles**, which consist of control measures intended to prevent the actual commission of the offences in the context of each of the sensitive activities for each of the risk areas mapped and specified in the Special Parts of the Model.

In the light of the specific area of business of SG, attention was focused on the risk of commission of the offences considered **most significant**, which are those covered by articles 24 and 25 (offences against the Public Administration), 24 *ter* (organised crime offences, also with regard to international crime as per Law

146/06), 25 *ter* (corporate offences), 25 *quinquies* (crimes against the individual)[4], *25 septies* (manslaughter or serious or grievous bodily harm, committed through breach of occupational health and safety legislation), *25 octies* and *octies.1* (offences of receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering and crimes relating to non-cash means of payment and fraudulent transfer of values), 25 *decies* (incitement not to make statements or to make false statements to the Judicial Authorities), 25 *undecies* (environmental offences) and 25 *quinquiesdecies* (tax offences) of the Decree. The general control principles described in the General Part also apply to these categories of offences, as do the general principles of conduct and preventive control set forth in Regulation D310 – Salcef Group Code of Ethics and Conduct and in Regulation D312 - Organisation, Management and Control Model (Governance Model) (Leg. Dec. no. 231/2001) – Special Parts.

With regard to the offences covered by articles 24 *bis* (Computer crimes), 25 *bis* (offences involving counterfeiting of currency, legal tender, revenue stamps, instruments or identification marks), 25 *bis* 1 (crimes against industry and trade), 25 *quater* crimes involving terrorism or the subversion of the democratic order), 25 *novies* (copyright infringement offences), 25 *duodecies* (employment of third-country nationals staying in Italy illegally), 25 *terdecies* (racism and xenophobia) and 25 *sexiesdecies* (smuggling), 25-*septiesdecies* (crimes against the cultural heritage) and 25-*duodevicies* (laundering of cultural assets and devastation and plundering of cultural and landscape assets), the outcome of the risk assessment activities leads us to believe that there is a concrete possibility that these offences could be committed, but that they are **less significant** by virtue of the business activities of the Company and its organisation. Therefore, the general control principles described in the General Part also apply to these categories of offences, as do the general principles of conduct and preventive control set forth in Special Part "G" of Regulation D312 - Organisation, Management and Control Model (Governance Model) (Leg. Dec. no. 231/2001) – Special Parts and in Regulation D310 – Salcef Group Code of Ethics and Conduct.

It is considered that the risk of the commission of the other categories of offences envisaged by the Decree is **insignificant** by reason of SG's area of business, and they are therefore regulated by the general control principles set forth in the General Part.

The table below summarises the points made above with regard to the significance to SG of the categories of offences covered by Leg. Dec. 231/2001 and the outcome of the risk assessment performed:

	Risk of commission considered **most significant**	Risk of commission considered **less significant**	Risk of commission considered **insignificant**
Offences against the Public Administration (articles 24 and 25)	X		
Computer crimes (art. 24 *bis*)		X	
Organised crime offences and transnational crimes (art. 24 *ter* of the Decree and Law 146/06)	X		
Offences involving counterfeiting of currency, legal tender, revenue stamps, instruments or identification marks (article 25 *bis*)		X	
Crimes against industry and trade (art. 25 *bis 1*)		X	
Corporate offences (art. 25 *ter*)	X		
Crimes involving terrorism or the subversion of the democratic order (art. 25 *quater*)		X	

[4] See Note 1.

	Risk of commission considered **most significant**	Risk of commission considered **less significant**	Risk of commission considered **insignificant**
Female genital mutilation practices (art. 25 *quater* (1)			X
"Illegal intermediation and exploitation of labour" ("gangmastering") (art. 603-*bis* of the Criminal Code) in the context of crimes against the individual (art. 25 *quinquies*)	X		
Other crimes against the individual (art. 25 *quinquies*)			X
Market abuse (art. 25 *sexies)*			X
Manslaughter or serious or grievous bodily harm committed through breach of occupational health and safety legislation (art. 25 *septies*)	X		
Offences of receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering and crimes relating to non-cash means of payment and fraudulent transfer of values (art. 25 *octies* and art. 25 *octies.1*)	X		
Copyright infringement offences (art. 25 *novies*)		X	
Incitement not to make statements or to make false statements to the Judicial Authorities (art. 25 *decies*)	X		
Environmental offences (art. 25 *undecies*)	X		
Employment of third-country nationals staying in Italy illegally (art. 25 *duodecies*)		X	
Racism and xenophobia (art. 25 *terdecies*)		X	
Cheating in sporting competitions, illegal gaming or betting and games of chance by means of prohibited devices (art. 25 *quaterdecies*)			X
Tax offences (art. 25 *quinquiesdecies*)	X		
Smuggling (art. 25 *sexiesdecies*)		X	
Crimes against the cultural heritage (art. 25 *septiesdecies*)		X	
Laundering of cultural assets and devastation and plundering of cultural and landscape assets (art. 25-*duodevicies*)		X	

The following table summarises the control measures applicable in relation to the significance of the categories of offences envisaged by Dec. Leg. 231/2001:

	Categories of offences with risk of commission considered **most significant**	Categories of offences with risk of commission considered **less significant**	Categories of offences with risk of commission considered **insignificant**
General control principles	General Part		
General principles of conduct	Specific Special Part	Special Part "G"	N/A
Preventive control principles	Specific Special Part	N/A	N/A

1.6 The structure of the Model's Explanatory Document

The Model's Explanatory Document consists of a General Part and Special Parts.

The General Part illustrates the Model's essential components, with particular reference to the SB, staff training and distribution of the Model inside and outside the company, the disciplinary system and the measures to be adopted in the event of failure to comply with its provisions.

The Special Parts cover the different types of crime and administrative offence the risk of the commission of which is considered significant with regard to SG.

Each Special Part also details the individual offences referred to by the Decree (for the types of the predicate offences, see Annex A - Leg. Dec. 231/2001 and the predicate offences of the Model), the general principles of conduct to be complied with in all areas potentially at risk of an offence, and these risk areas.

The sensitive activities, possible modes of commission of the offences or types of conduct which may be instrumental to their commission, and the preventive control principles applied, are specified within each risk area.

The general principles of conduct and the preventive control principles set forth in the Special Parts must be complied with by all internal Recipients of the Model.

In order to ensure compliance with the aforementioned control principles, the Company is committed to continual monitoring, to guarantee the adequacy of the Model over time, and thus to keep the Special Parts up to date with any significant changes in the Company's sectors of business, organisational structure or processes.

1.7 Amendments and supplements to the Model

The Model is adopted and subsequently amended and supplemented by the BOD of Salcef Group S.p.A., in accordance with the provisions of art. 6, paragraph 1 (a) of the Decree.

The BOD prepares amendments to the Model with the aid of the competent company functions, and notifies the Board of Statutory Auditors and the Supervisory Body accordingly.

1.8 Adoption and management of the Model within the Salcef Group and in the associative structures to which it belongs

SG considers compliance with the laws and regulations and the principles set out in Regulation D310 - Salcef Group Code of Ethics and Conduct essential for the maintenance and improvement of the company's value over time.

Without detriment to the organisational, managerial and operational independence of the Group companies, the Company encourages the adoption and implementation of the Model or similar compliance tools by its Italian and foreign subsidiaries, bearing in mind the specific risk profiles related to the actual business of each of them, pursuing the following objectives:

- to guarantee ethical conduct, in accordance with the laws and regulations and the principles set out in its Governance Model and in Regulation D310 – Salcef Group Code of Ethics and Conduct;
- to ensure that all those working within the Group are aware that any unlawful conduct may result in the application of criminal and administrative sanctions, with serious damage to the assets, operations and image not only of the company that may be involved, but also of SG and the other Group companies;
- to underline the policies with regard to compliance, ethics, transparency and fairness pursued by SG and the importance of the related control, monitoring and sanctioning mechanisms.

Through their competent internal structures, the aforesaid Group companies inform SG about the adoption of the Model and the effective establishment of the Supervisory Board in compliance with the provisions of the Decree

With regard to the establishment of new associative structures, on a national and international basis, SG verifies, from the outset, whether the partners are compliant with Legislative Decree 231/2001 or have adopted equivalent compliance models.

2 Supervisory Body

2.1 Composition and prerequisites of the SB

The Body is appointed by the BOD, which usually also appoints its Chair.

If the BOD does not appoint the Chair, he or she is chosen in accordance with the Supervisory Body Charter (Regulation D311 – Supervisory Body Charter).

The members of the SB are professionals of proven competence and experience in the areas of the law, finance, internal control and compliance, and with appropriate, proven experience with regard to the application of the Decree.

The SB's appointment, duties, powers, activities and operation, as well as the duration of its appointment and the dismissal, replacement and prerequisites of its members, are regulated by a specific "Charter", approved by the Company's BOD.

The Body also has its own Regulations, reflecting its operational and organisational independence, and governing its functioning.

In accordance with the Decree and the Confindustria Guidelines, the SB of Salcef Group meets the following requirements:

a) autonomy and independence;
b) professionalism;
c) continuity of action.

a) Autonomy and independence

The SB enjoys autonomy and independence from the Company Officers/Bodies with regard to which it exercises its supervisory functions.

It is in no way involved in management activities, nor is it in a position of hierarchical dependence.

In order to preserve the independence of the SB, its Charter specifies that it serves for three years and its members can be re-elected. In all cases, members continue to serve until their successors are appointed.

As a further guarantee of its independence, the SB informs the Board of Directors and the Board of Statutory Auditors about the activity carried out every six months. In all cases, the Body notifies the CEO of SG or the BOD of any particularly significant events immediately (see§2.4).

No company department, body or structure is empowered to express opinions on the operation of the SB except for the power-duty of the governing body to oversee the adequacy of the work done by the SB in order to guarantee the functioning, updating and implementation of the Model.

In the performance of its functions, the SB:

- has unrestricted access to all the Company's organisational structures and all its personnel, and to all company documents and/or data relevant for the performance of the functions assigned to the SB by Leg. Dec. 231/2001;

- the SB is provided with sufficient financial resources to allow it to perform its functions effectively. To this end, the BOD, also through the CEO of SG if appropriate shall, on the basis of the SG CEO's instructions, allocate a budget to the SB for the costs and expenses to be incurred in the performance of its functions.

The SB has completely independent disposal of the sums assigned to it, with no need for any authorisation or approval of the relative costs and expenses, except for the obligation to provide the Company with an annual statement of the sums used.

b) Professionalism

The members of the SB have specific technical and professional skills appropriate to the functions the Body is called upon to perform, and are also able to draw on technical assistance from inside or outside the Company.

c) Continuity of action

The SB operates within the Company, exercising its powers of control on a continuous basis and meeting at least quarterly in order to fulfil its mandate.

The SB monitors company processes defined as sensitive under the terms of the Decree with the aid of the company's body of procedures, the information flows directed at it by the Model and the relative procedure (§2.5), and meetings with the Managers of the areas potentially at risk of offences. For a better, more effective performance of its tasks and functions, in addition:

- the Body organises formal meetings with SG corporate officers and functions, as considered useful for the fulfilment of its tasks;
- the Company provides the SB with the support of its resources, where necessary. In particular, the SG Internal Audit & Compliance function assists the SB in the performance of its supervisory activities, also in the role of Technical Secretariat, further reinforcing the requirement of the continuity of action of the SB.

2.2 Causes of ineligibility, incompatibility, disqualification and withdrawal of mandates of SB members

Appointment as a member of the SB is conditional on continual compliance with the requirements envisaged by its Charter.

The following constitutes grounds for ineligibility, incompatibility, disqualification and withdrawal of mandates of SB members for "just cause", depending on circumstances:

a) legal status of debarment, disabling, bankruptcy or being found guilty, even with a non-definitive sentence, of an offence which involves even temporary debarment from public posts or disqualification from management positions;

b) status of spouse or relative by blood or marriage up to the fourth degree with Salcef Group Shareholders, Directors, Statutory Auditors or managers;

c) situations which may lead to even potential conflicts of interest, and in particular business relations or professional appointments with the Salcef Group. Appointment to a post on the Board of Statutory Auditors or relationship with the Supervisory Body overall in relation to the appointment to it is not

considered for this purpose;

d) direct or indirect ownership of shareholdings in SG or other Group companies which may impair their independence or autonomy of judgement;

e) membership of the Supervisory Body of other Group companies;

f) situations which may prevent the diligent, effective fulfilment of the mandate in the interest of SG;

g) serious breach of their duties as defined by the Model and the SB Charter, or any additional situation or condition which impairs their independence of judgement in the exercise of their functions, bearing in mind the interest of the Salcef Group;

h) one of the situations listed below: (i) being the subject of preventive measures imposed by the Judicial Authorities; (ii) being sentenced to or reaching a plea-bargaining settlement pursuant to articles 444 et seq. of the Criminal Procedural Code, even pending appeal, with regard to the offences envisaged by the Decree or offences of the same kind (e.g. bankruptcy offences, property offences, offences against public trust); (iii) being the subject of criminal proceedings with regard to the offences envisaged by the Decree or offences of the same kind (e.g. bankruptcy offences, property offences, offences against public trust, etc.); (iv) being found guilty, even pending appeal, under administrative law, of one of the offences envisaged by articles 187 *bis* and 187 *ter* of Leg. Dec. no. 58/1998 (Consolidated Law on Finance); (v) being under investigation for offences of conspiracy or organised crime (e.g. Mafia, Camorra or other organised crime syndicates under any local name which pursue purposes or use methods similar to those of Mafia-type organisations); (vi) being sentenced, even pending appeal, subject to the effects of rehabilitation, to at least one year of imprisonment for an offence committed without criminal intent; (vii) having criminal proceedings of any type ongoing and having been sentenced under criminal law, even by alternative proceedings, even if not yet tried by the courts;

i) if, further to a ruling by the Company under the Decree or a plea-bargaining agreement by the Courts, the Body is found to have "*failed to exercise sufficient vigilance*", in accordance with the provisions of art. 6, paragraph 1 (d) of the Decree;

j) breach of non-disclosure obligations, as detailed in the SB Charter;

k) gross negligence in the fulfilment of the tasks related to the appointment;

l) failure to attend three consecutive meetings of the Body.

Moreover, each member of the Body will be subject to the ban on competition contained in art. 2390 of the Italian Civil Code.

Each member of the SB is obliged to immediately inform the Body - which will notify the Company - of the existence or occurrence of any of the conditions set forth above, as soon as they come to their knowledge.

To ensure the continuity of action of the SB and safeguard its legitimate fulfilment of the functions and position occupied against unjustified dismissal, both the withdrawal of the mandate conferred on one or more members of the SB - which may only take place for "just cause", when one of the conditions listed above, defined in detail by the SB Charter is met - or disqualification shall be decided by a specific resolution of the BOD, after consultation with the Board of Statutory Auditors and the other members of the Body.

In the event of resignation, disqualification or dismissal of a member of the Body, the BOD shall appoint a replacement without delay. The member thus appointed shall serve until the end of the mandate of the entire Body.

In the event of resignation, disqualification or dismissal of the Chair of the Body, it will be temporarily chaired by the longest-serving member or, in the event of a tie, by the oldest member in terms of age, who shall remain in post until a new Chair of the Body is appointed.

In the event that the mandates of all or the majority of the members of the SB are withdrawn, the BOD shall appoint a new Body without delay, after consultation with the Board of Statutory Auditors. Pending appointment of the new SB, the functions and tasks assigned to it may be temporarily performed by the Board of Statutory Auditors, pursuant to art. 6, paragraph 4 *bis* of the Decree.

Furthermore, after consulting the Board of Statutory Auditors and the other members of the Body, the BOD may also order the suspension from duty of a member of the Body for:

- the provisional application of a preventive measure;
- a guilty verdict for an offence other than those for which dismissal is envisaged;
- application of an individual precautionary measure.

After consulting the other members of the Body and the Board of Statutory Auditors, the BOD will appoint an *ad interim* member of the Body.

In the event that the mandates of all or the majority of the members of the SB are suspended, the BOD shall appoint a new Body without delay, after consultation with the Board of Statutory Auditors. Pending appointment of the new SB, the functions and tasks assigned to it may be temporarily performed by the Board of Statutory Auditors, pursuant to art. 6, paragraph 4 *bis* of the Decree.

2.3 Functions and powers of the SB

Responsible for verifying and overseeing the adequacy of and effective compliance with the Model and its maintenance, the Body is completely independent in the performance of its functions and there is no appeal against its rulings.

Specifically, the SB's duties are:

- to verify the effectiveness of the Model in relation to the company's structure and its actual ability to prevent the commission of the offences referred to in the Decree, suggesting any updates to the Model it considers necessary, in response in particular to evolutions and changes in the company's organisational structure or operations and/or the relevant legislation;
- to monitor and assess the validity of the Model over time, suggesting all actions necessary to assure its efficacy, also further to consultation with the company functions concerned;
- on the basis of its Plan of Operations, and also through unscheduled and unannounced audits, to perform checks on the company functions involved in the risk areas, to ensure that activities are carried out in accordance with the Model adopted;
- to check the implementation and actual functioning of the solutions proposed by means of follow-up activities;
- to perform regular checks, with the aid of the competent company functions, on the system of powers in force, in order to verify their consistency with the organisational and managerial responsibilities defined, recommending changes if managerial powers and/or ranks do not correspond to the powers of representation conferred on the internal manager or their subordinates;
- to verify the actions of the holders of official powers (proxies, authorisation powers and powers of attorneys), on the basis of its Plan of Operations;
- to perform the appropriate analyses to investigate any breaches of the Model;

- to actuate an information flow, in conformity with the Model, in relation to the competent Corporate Bodies, enabling the Supervisory Body to report to them with regard to the efficacy and implementation of the Model;
- to oversee the effective application of the Model and identify any non-compliant conducts which emerge from the analysis of the information flow and the reports received;
- to notify the Corporate Bodies immediately of any breaches of the regulatory framework - the rules and procedures - which may give rise to the offences covered by the Decree;
- to promote an appropriate staff training process by means of suitable programmes to increase knowledge and understanding of the Model;
- to monitor the situation to ensure that the Model's Recipients are well informed about the tasks and duties relating to supervision of the risk areas to prevent the commission of the offences covered by the Decree;
- to perform regular checks on the effectiveness of the clauses intended to ensure Recipients' compliance with the Model, with input from the competent company functions;
- to report any breaches of the Model to the competent bodies, as specified by the disciplinary system, to allow the adoption of any disciplinary measures.

To perform its tasks, the Supervisory Board is vested with the powers listed below:

- to access all company documents and/or data relevant for the performance of the functions assigned to the SB by Leg. Dec. 231/2001;
- to use the services of external consultants of proven professionalism when necessary for the fulfilment of its activities;
- to request specific information flows which enable the Supervisory Body to be regularly updated, by the company functions concerned, about the activities considered to be at risk of offences, and, where it considers this necessary, to establish additional communication / reporting procedures, also to gain knowledge of any violations of the Model;
- to check that Recipients provide the information, data and/or notifications required of them without delay;
- to conduct direct interviews with the company's employees, and members of the Board of Statutory Auditors or the Board of Directors when necessary;
- to request information from external consultants, agents, financial and business partners, service providers and auditors within the context of the activities they perform on the Company's behalf.

The Body may decide to delegate one or more specific tasks to its members, on the bases of their respective skills, with obligation to report back to the Body. In all cases, all members of the Body retain joint responsibility with regard to functions which it delegates to its individual members or which are actually undertaken by other company functions.

With regard to the operation of the SB, it adopts a specific Regulation.

2.4 SB reporting to the Corporate Bodies

Within the context of its duties, the SB of SG keeps the competent official Corporate Bodies informed to enable them to adopt the resolutions and implement the actions needed to guarantee the effective, constant adequacy and actual implementation of the Model.

Specifically, the SB submits a report to the BOD and the Board of Statutory Auditors every six months, covering the following:

- the work done, with particular reference to monitoring of the processes defined as sensitive for the purposes of the Decree;
- the criticalities which have emerged both in terms of behaviours or events within the Company and with regard to efficacy of the Model;
- an analysis of all reports received during the period and the actions undertaken by the SB and the other interested parties;
- proposals for review and updating of the Model;
- information about the Plan of Operations.

The SB submits the Plan of Operations to the BOD on a year-by-year basis in advance, while the SB may still supplement and amend the Plan and perform any unscheduled and unannounced inspections.

The SB holds at least annual meetings with the Board of Statutory Auditors to discuss topics of joint interest, and establishes merely informative relations with the SBs of the other Group companies.

Regardless of the scheduling of periodic flows, the SB must implement targeted information flows in the presence of circumstances that make disclosure necessary or in any case appropriate. Therefore, the Body must report to the CEO of SG or the BOD, when possible, without delay with regard to:

- any breach of the Model considered substantiated, whether detected through a report or by the Body itself;
- shortcomings detected in the organisation or procedures which cause the actual risk of the commission of offences of relevance under the Decree;
- failure to cooperate on the part of company functions;
- criminal proceedings against parties operating on the Company's behalf or proceedings against the Company in relation to offences relevant under the Decree, which have come to its knowledge during the fulfilment of its functions;
- outcomes of verifications by the SB in response to investigations by the Judicial Authorities with regard to offences of relevance under the Decree;
- any other information deemed useful for the purpose of taking urgent decisions by the CEO of SG or the BOD.

The SB will also inform the Board of Statutory Auditors without delay of any violation of the Model by the auditing company, to allow the legally envisaged steps to be taken.

Meetings with the SB of SG may eventually be called by the aforesaid bodies, or it may also submit a request for joint meetings, to report on the operation of the Model or specific situations.

2.5 Information flows to the SB and whistleblowing reports

Art. 6, paragraph 2 (d) of the Decree requires the Model to enforce reporting obligations on the SB mandated to oversee the operation of and compliance with the Model itself.

The obligation of structured information flows is seen as a tool for guaranteeing supervision of the efficacy and effectiveness of the Model and for any retrospective investigations of causes which allowed the occurrence of the offences envisaged by the Decree.

In order for the Body's supervisory activities to be effective, a structured system of reports and information from all Model Recipients is fundamental, covering all actions, behaviours or events which come to their

knowledge which may lead to a breach of the Model, or, in more general terms, are potentially significant with regard to the purposes of the Decree.

The Company has established a specific procedure (Procedure P133 - Management of information flows to the Supervisory Body), to define the information flows which must be addressed to the SB, the company functions responsible for sending them and the relative times (with obligation to provide the SB with the relative documentation if requested and available). If the information flow is not relevant or there is no information, the competent company functions are still responsible for notifying the Body accordingly.

The following is a non-exhaustive list of examples of the information flows to be sent to the SB by company officials or third parties:

a) occasional events to be reported to the body immediately:

- measures (notices of investigations, notices of conclusion of investigations, committal for trial) served by the Judicial Authorities on the Company, the Shareholders, the CEO or its executives or employees relative to investigations by the Authorities with regard to predicate offences for which organisations are assumed to be responsible under administrative law pursuant to Leg. Dec. 231/2001;
- notifications of internal investigations and disciplinary measures with regard to the offences covered by the Decree, or of the termination without charge of any such proceedings, with the respective motivations;
- any conflicts of interest between a Recipient of the Model and the Company;
- notifications of internal investigations and disciplinary measures with regard to the offences covered by the Decree, or of the termination without charge of any such proceedings, with the respective motivations;
- reports relating to audits performed by the competent company functions, highlighting the criticalities identified;

b) information concerning recurring activities:

- notifications of significant changes to the company's organisational structure, highlighting the changes and variations made;
- notifications of significant changes to procedures relative to the Model, highlighting the changes and variations made;
- updates to the system of powers, highlighting the changes made to the mandates and powers of attorney conferred on the Operations Managers / roles envisaged under Leg. Dec. 81/08 (HSE, Medical Officer, WSR);
- any financial (i.e. not commercial) transactions in tax havens, and contracts won in these countries;
- any granting or management of public or low-interest funding, loans, or subsidies received during the period of reference;
- information and training activities undertaken in implementation of the Model and staff's participation in them;
- documents of relevance to the health, safety and environment management system, such as the Risk Assessment Document (RAD) and any updates to it, the monthly accident statistics and the reporting of injuries leading to more than 40 days off work, the minutes of the regular risk protection and prevention meetings, and any changes and/or updates to environmental risk assessments;
- any other relevant information regarding health, safety and the environment, even in the event of emergencies.

The SB may also apply to the independent auditors for information about their activities of relevance for implementation of the Model, and establish regular meetings and exchange of information with the Board of Statutory Auditors and the independent auditors.

In order to facilitate the flow of reports and information, they can be sent to the email address of the Technical Secretariat (compliance@salcefgroup.com), or to the address of the SB (odv@salcefgroup.com), which will pass them on to the SB. All Company Directorates/Departments retain the option of independently providing the SB with any further information considered relevant and significant for the purposes of the Internal Control System relating to compliance with Model 231, the prevention of criminal offences and the fulfilment of the SB's own tasks (such as any anomalies or atypical situations encountered in the course of their operations).

Whistleblowing

The Company has adopted Procedure P145 - Managing whistleblowing reports to establish the procedures for the reception, verification and investigation of whistleblowing reports submitted by company staff or third parties concerning conduct, acts or omissions which are harmful to the public interest or the Company's integrity because they constitute violations of domestic and European laws and the principles and rules of conduct set out in the Group Code of Ethics and Conduct, the Anticorruption Policy and the Social Responsibility Policy.

In view of the provisions of Law no. 179 of 15 November 2017 and Leg. Dec. 24 of 10 March 2023, the Company has established internal channels for the reception of whistleblowing reports and formally identified the Managing Entity tasked with receiving and managing the said reports. Specifically, the Company has established:

- a specific channel for the receipt of whistleblowing reports, with IT procedures and encryption designed to protect the identity of the whistleblower. This dedicated channel, exclusive to the Company, can be accessed via the web portal, by compiling a form provided on the application's home page;
- a voice messaging channel accessible via the same portal;
- on the request of the whistleblower, face-to-face meetings to be requested through the platform.

For whistleblowing reports on violations or alleged violations in particular, the following general regulations apply:

- a Recipient wishing to report a violation - or alleged violation - of the Model must prioritise use of the internal channels mentioned above, and only submit an external report if one of the conditions specified in art. 6 of Leg. Dec. no. 24 of 10 March 2023 applies;
- parties wishing to make a report can decide whether to do so anonymously or under their own name, bearing in mind that the latter mode will simplify the investigation subsequent to the report. The whistleblower must clearly state that, with regard to this report, they intend to conceal their identity and benefit from the safeguards envisaged in case of any form or retaliation suffered as a result of the report;
- reports must provide suitable detail of the circumstances relating to the alleged violation of the Model, to enable their complete assessment.

The Company guarantees the highest degree of protection and confidentiality:

- regarding the whistleblower's identity;
- regarding the person involved;
- regarding any person mentioned in any way;
- regarding the contents of the whistleblowing report and the relative documentation.

Moreover, the subject of the report is protected against the consequences of any defamatory or libellous reports submitted with criminal intent or through gross negligence. These confidentiality criteria are also guaranteed in the activities of managing the whistleblowing report.

Penalties are therefore envisaged for anyone who breaches the measures in place to protect whistleblowers, anyone who submits reports, through negligence or with malice aforethought, which are then found to be unsubstantiated, or anyone who adopts retaliatory, discriminatory or penalising measures against whistleblowers in response to the report, in line with the disciplinary system described in §4.

Any form of even just attempted or threatened retaliation is specifically forbidden pursuant to art. 5 and 19 of Leg. Dec. 24 of 10 March 2023.

Retaliation suffered can be reported to the Italian Anticorruption Authority (ANAC), which may respond through the Civil Service Inspectorate or National Employment Inspectorate for measures under their jurisdiction. The Judicial Authorities must be applied to for the cancellation of legal acts of retaliation.

The procedures for the submission and management of whistleblowing reports, including the preliminary verification and investigation phases, are described in the section of the Company's website available at https://www.salcef.com/it/segnalazioni-whistleblowing/ and are also made available to recipients of the regulations and regulated by the aforesaid Procedure.

In the event of a report relevant to Legislative Decree 231/2001, the Reporting Manager shall ensure adequate information and operational coordination with the Supervisory Board, where separate from the same, without prejudice to the confidentiality obligations provided for.

3 Staff training and distribution of the Model inside and outside the company

3.1 Introduction

In order to allow the effective implementation of the Model, SG intends to ensure that its contents and principles are correctly disseminated inside and outside its organisation.

SG aims, in particular, to extend communication of the Model's contents and principles not only to its Corporate Bodies and employees but also to parties who, although not formal employees, work to achieve the Company's objectives under contract.

Communication and training are diversified depending on the intended recipients, but must always be complete, clear, accessible and continuous, in order to make the various Recipients fully aware of the company regulations they are required to comply with and the ethical standards which must inspire their behaviour.

Communication and training are supervised by the Supervisory Body (see SB's duties described in §2.3).

3.2 Staff information and training

SG promotes knowledge of the Model, its internal regulatory system and their updates amongst all employees, who are therefore obliged to be conversant with its contents, comply with it and contribute to its implementation.

Communication actions include amongst other things:

- the posting of the Model, Regulation D310 – Salcef Group Code of Ethics and Conduct and the main documents which make up the Model on the company Intranet, including any English language versions; these documents are therefore available to all staff who have access to the Intranet;
- training with regard to and making available of the Model, Regulation D310 – Salcef Group Code of Ethics and Conduct and the main documents which make up the Model to all staff, including those who have access to the Intranet;
- the posting of the Model and Regulation D310 – Salcef Group Code of Ethics and Conduct on the Company's Internet site;
- the affixing of Regulation D306 - Disciplinary Code in a location accessible to all;
- the distribution of the Model and Regulation D310 - Salcef Group Code of Ethics and Conduct to new employees when they join the company;
- training materials, permanently available in the company's ERP system, on the contents of the Decree, the Model and Regulation D310 – Salcef Group Code of Ethics and Conduct;
- updating on amendments to the Model and the Group Code of Ethics and Conduct consequent on changes to the regulatory framework and/or organisational/process changes relevant for the purposes of the Decree, also through review of the training materials available on the company ERP system.

The training process, on the other hand, is structured on the following levels, diversified according to the employee's role in the Company:

- executives, managers and employees, even with representational functions: information at the time of recruitment; initial and periodic training courses; occasional update information, also following changes

to the Model and to Regulation D310 – Salcef Group Code of Ethics and Conduct; specific analysis at management meetings;

- other staff: information at the time of recruitment; initial and periodic training courses; occasional update information, also following changes to the Model and to Regulation D310 – Salcef Group Code of Ethics and Conduct.

Attendance at training sessions is compulsory.

Traceability of participation in training is ensured by requesting an attendance signature on the relevant form and, for e-learning activities, through an attendance certificate for the people concerned. Training activities are completed by the compilation of questionnaires or other forms of testing to verify the knowledge acquired.

Staff are therefore required to:

a) acquire awareness and knowledge of the principles and contents of the Model, of Regulation D310 – Salcef Group Code of Ethics and Conduct and of the main documents which make up the Model (see §1.4);
b) be familiar with the operating methods with which their activity must be carried out;
c) actively contribute, in relation to their role and responsibilities, to the effective implementation of the Model, reporting any shortcomings found in it;
d) attend training courses.

3.3 Information for external collaborators, consultants and partners

SG also promotes the knowledge of and compliance with the Model and Regulation D310 – Salcef Group Code of Ethics and Conduct amongst the Company's financial and business partners, consultants, agents, intermediaries, collaborators of various kinds, customers and suppliers, as well as third parties in general.

The Company includes specific clauses in its contracts with the aforesaid parties which envisage possible termination of contract in the event of breach of the principles they contain.

4 Disciplinary system and measures in the event of breach of the provisions of the Model

4.1 General principles

The establishment of a disciplinary system for violation of the provisions of the Model is an essential condition for ensuring its efficacy.

Article 6, paragraph 2 (e) and article 7, paragraph 4 (b) of the Decree envisage that governance models must introduce a disciplinary system to punish failure to comply with the measures they contain.

For the purposes of this disciplinary systems and in compliance with the provisions of the collective employment contract, actions or conduct in breach of the Model are punishable. Since the Model also comprises the internal regulatory system, which is an integral part of it, "breaches of the Model" also include breaches of one or more of the principles or rules established by the various company documents which make up this regulatory system (cf. point1.4).

The disciplinary measures are applied regardless of the launch and/or outcome of any criminal proceedings, since SG adopts the rules of conduct enforced by the Model in complete autonomy, irrespective of the type of offence which breaches of the Model may constitute.

As specified in the Regulation D306 – Disciplinary Code, to which reference should be made, the following is a non-exhaustive list of examples of the main types of violations:

a) failure to comply with the Model, if the violation is related to the commission of one of the offences envisaged by the Decree or if there is the danger that the Company may be accused of liability under the terms of the Decree;
b) failure to comply with the Model in the case of a violation in any way connected to the areas at risk of or instrumental to the commission of offences or the sensitive activities listed in the Special Parts of the Model;
c) failure to perform documentation activities and the conservation and control operations envisaged by the protocols, in order to prevent transparency and traceability;
d) failure on the part of superiors within the hierarchy to oversee the behaviour of their subordinates in order to ensure the correct, effective application of the provisions of the Model;
e) failure to participate in training activities relating to the contents of the Model, and the Decree in more general terms, on the part of internal Recipients;
f) violation and/or evasion of the control system through the removal, destruction or counterfeiting of the documentation envisaged by the protocols, or through the prevention of control of or access to data and the information and documentation on the part of the parties assigned to control them, including the SB;
g) any form of even indirect retaliation, discrimination or penalisation in relation to whistleblowers who report violations - or presumed violations - of the Model;
h) infringement of the measures in place to safeguard whistleblowers;
i) intentional transmission or transmission due to gross negligence of reports that are found to be unfounded;
j) violation of the obligations to inform in relation to the SB (described in §2.5), including the failure to report violations - or alleged violations - of the Model.

Punishments shall be chosen and applied in accordance with the principles of proportionality and appropriateness in relation to the offence. The following factors will be considered:

- type of alleged violation;
- actual circumstances in which it occurred;
- procedures by which it was committed;
- gravity of the violation, also bearing in mind the subjective intentions of the offender;
- whether the same action involved multiple violations;
- whether more than one person was involved in the violation;
- whether it is a repeat offence.

HR constantly monitors the disciplinary system and reports to the SB.

4.2 Measures against Directors and Statutory Auditors

In the event of violation of the Model by the Directors or Statutory Auditors of SG, the BOD and Board of Statutory Auditors are informed and, on the basis of their respective areas of jurisdiction, they will adopt one of the following measures, depending on the gravity of the violation and the powers assigned to them by the law and/or the Articles of Association:

- declarations in the minutes of meetings;
- formal warning;
- termination of appointment / mandate;
- request for calling of a General Meeting, with agenda including adoption of appropriate measures in relation to the parties which have committed the breach, including legal action to confirm liability in relation to the Company and compensation of any past or current damage.

4.3 Sanctions for employees

Conduct of employees (managers, executives and office and production workers) in breach of the behavioural rules set forth in the Model are defined as "disciplinary offences", also covered by Regulation D306 – Disciplinary Code.

The sanctions applicable are amongst those included in Regulation D306 - Disciplinary Code, with regard to the provisions of article 7 of the Workers' Statute and the relevant collective employment regulations, or those enforced by local employment legislation in the case of branch employees. Under no circumstances will penalties heavier than those envisaged by Italian legislation be enforced especially if they are humiliating and in breach of human rights.

The abstract categories of violations listed in §4.1 describe the punishable behaviours open to disciplinary measures, applied in accordance with principles of proportionality and fitness, also bearing in mind the circumstances detailed in the said point.

4.3.1 Managers

In the event of breaches of this Model by managers during the fulfilment of their duties, or behaviour not compliant with its provisions, those responsible will be punished by the most appropriate measures, in accordance with the law, the relevant collective employment contract and Regulation D306 – Disciplinary Code

Specifically:

- if the violation of one or more provisions of the Model is of a gravity which damages the relationship of trust, and does not allow even temporary continuation of the working relationship, the manager will be dismissed without notice;
- if the violation is less serious but still irreparably damages the relationship of trust, the executive will be dismissed with notice.

If the violation is such as not to damage the relationship of trust (such as in the case of failure to send information flows to the SB), the Manager may receive a written or verbal reprimand.

4.3.2 Production and office workers and executives

In accordance with the law, the relevant collective employment contract and Regulation D306 – Disciplinary Code:

a) any worker breaching the internal procedures envisaged by the Model, or engaging in behaviour not in compliance with the provisions of the Model during the fulfilment of his/her tasks in the relative risk areas, is in breach of the duties of the employee as defined by the relevant National Collective Employment Contract, prejudicial to the Company's discipline and morale, and is punishable by verbal reprimand, written reprimand, fine or suspension without pay, depending on the gravity of the violation;
b) any worker who, during the performance of tasks in the risk areas, commits a significant breach of duty in violation of the provisions of the Model, commits a violation more serious than those defined in point a) above and is punishable by dismissal with notice;
c) any worker who, during performance of his tasks in the risk areas, engages in behaviour obviously intended for the commission of one of the offences defined by the Decree, or in breach of this Model, which leads to the actual application against the Company of measures envisaged by the Decree, commits a grave violation which causes serious moral and/or material harm to the Company, and is punishable by dismissal without notice.

In the case of branch employees, the penalties envisaged by local employment law will be applied, although under no circumstances will penalties heavier than those envisaged by Italian legislation be enforced, especially if they are humiliating and in breach of human rights.

4.4 Measures in relation to collaborators, auditors, consultants, partners, counterparties and other external parties

All behaviour in the context of a contractual relationship on the part of collaborators, auditors, consultants, partners, counter-parties and other parties external to the Company in contravention of the lines of conduct set forth in the Model may lead to termination of the contractual relationship, under the clauses which SG includes in every contract.

If these violations are committed by temporary agency/contract workers, in the context of the contracting of works or services, the punishments will be applied to the worker, once the breaches have been confirmed, by their employer (the temporary agency or the contractor) and the proceedings may also give rise to actions against the temporary agency or contractor itself. In accordance with the contractual agreements with temporary agencies/contractors, the Company may decide simply to request the replacement of the workers who committed the aforesaid violations.

The above is without prejudice to the Company's right to bring legal actions to confirm the liability of the external party in relation to the Company and compensation of any past or current damage.

4.5 Procedure for application of penalties and sanctions

The procedure for application of penalties and sanctions consequent on violation of the Model varies depending on the category of Recipients, in relation to the following phases:

- notification of the violation to the interested party;
- decision and subsequent enforcement of the penalty or sanction.

The procedure always begins following the receipt – by the competent corporate bodies from time to time and indicated below – of the communication with which, depending on the case, the SB or the HR or the company function that manages the contractual relationship with the third party, report the violation of the Model.

Specifically, in all cases in which they receive a report or become aware, during their supervisory and inspection activity, of facts which indicate a violation of the Model, the SB, HR or the company function which manages the contractual relationship with the third party is obliged to carry out the verifications and checks within their power, and to start the procedure described in Regulation D306 – Disciplinary Code, containing, pursuant to articles 6, paragraph 2, (e) and 7, paragraph 4, (b), the disciplinary system relative to failure to comply with the measures set out in the Model.

5 Updating and amendment of the Model

Under art. 6 of the Decree, the BOD oversees the updating and amendment of the Model if circumstances make this necessary and, in any case, whenever this is requested by the SB.

The BOD assigns responsibility for updating the Model, and the writing and updating of its component parts, to the competent company functions.

With the aim of keeping the Model efficacious and effective over time, the events which may be considered for the purposes of its updating or amendment may include, for example:

- new legislation governing the liability of organisations for offences under administrative law arising from the commission of criminal offences;
- legal precedents and case law;
- any shortcomings and/or gaps identified in the Model and/or significant violations of its provisions after audits of its effectiveness;
- significant changes in the Company's organisational structure, processes and sectors of business;
- considerations arising from application of the Model.

Glossary and references

Definitions

DEFINITION	DESCRIPTION
SALCEF GROUP (or "GROUP")	The Salcef Group comprises Salcef Group S.p.A. and all the Companies defined as subsidiaries under the terms of the Italian Civil Code.
DECREE	Legislative Decree no. 231/2001 as amended and supplemented
RECIPIENTS	The Company's employees, collaborators, consultants and partners
MODEL 231	Organisation, Management and Control Model (Governance Model) pursuant to Italian Leg. Dec. 231/2001 of Salcef Group S.p.A.
SALCEF GROUP CODE OF ETHICS AND CONDUCT	Code containing the ethical principles which underlie the actions of Salcef Group S.p.A. and the Salcef Group and the guidelines with which all those who work for or do business with the Company, on an occasional or permanent basis, or Company stakeholders in more general terms, are required to comply.
CORPORATE BODIES	Shareholders' General Meeting, Chief Executive Officer and Board of Statutory Auditors
SUPERVISORY BODY	Autonomous and independent (one-person or collective) body appointed by the Board of Directors of Salcef Group that supervises operation of and compliance with Model 231

The definitions given above in this document are in capital letters.

Acronyms

ACRONYM	DESCRIPTION
CEO	Chief Executive Officer (also known as Managing Director) of Salcef Group S.p.A.
SB	Supervisory Body pursuant to Legislative Decree no. 231 of 2001
SG	Salcef Group S.p.A.

Reference Standards

STANDARD	DESCRIPTION
Legislative Decree no. 231 of 8 June 2001 as amended and supplemented	Rules governing the administrative liability of legal persons, companies and associations, including those without formal legal personality, in accordance with article 11 of law no. 300 of 29 September 2000 (Official Gazette no. 140 of 19 June 2001)

Company reference documents

Disposizione

D301 – Politica Integrata del Gruppo Salcef 158; 160; 161
D302 - Scopo e Contesto del Sistema di Gestione Integrato 161
D305 – Regolamento del Lavoro 10
D306 – Codice Disciplinare 14; 28; 30; 31; 32; 33
D308 – Organizzazione Aziendale 12
D309 – Responsabili della struttura organizzativa 12
D310 – Codice Etico e di Comportamento del Gruppo Salcef ... 6; 10; 15; 18; 28; 29; 158; 160; 161; 162
D311 - Statuto del Organismo di Vigilanza 19
D312 - Modello di Organizzazione, Gestione e Controllo (D.lgs. n. 231/2001) - Parti Speciali 6; 15
D314 - Strategia Commerciale 158; 160
D316 – Valutazione del Rischio Incendio 161
D318 – Valutazione Rischio Chimico 161
D319 – Valutazione Rischio Vibrazione 161
D320 – Valutazione Rischio Rumore 161
D321 – Valutazione Rischio Elettrico 161
D322 - Documento di Valutazione dei Rischi (DVR) 161
D323 – Valutazione del Rischio Stress da lavoro-correlato 161
D326 – Valutazione Rischio Movimentazione Manuale dei Carichi 161
D332 - Politica in materia di diritti umani del Gruppo Salcef 161
D333 - Politica in materia di Diversità, Equità e Inclusione 161
D343 - Regolamento del Sistema di Qualificazione Fornitori del Gruppo Salcef 160
D345 – Valutazione Rischio da Campi Elettromagnetici 161

Istruzione

I205 – Gestione e catalogo DPI 161
I211 - Redazione e gestione dei programmi di lavoro 161
I212 - Manuale di Disaster Recovery 162
I213 - Qualifica e valutazione dei Fornitori 160
I222 - Controllo dei materiali in cantiere 161
I224 - Utilizzo Cloud aziendale ownCloud 162
I239 – ICT Change Management 162
I247 - Richiesta di accesso ai sistemi informatici 162
I255 - Registrazione iniziativa e preparazione offerta 158; 160
I258 – Accesso alla Sala CED 162
I259 - Backup, Batch automatici e Disaster Recovery 162
I260 - Utilizzo interfaccia Gestione Salcef 162

I271 – Gestione dei rifiuti 161
I280 - Gestione Sicurezza Stradale ed emergenze 161

Procedura
P110 - Gestione degli approvvigionamenti 158; 160; 161
P111 - Gestione commerciale e gare 158; 160; 161
P114 - Gestione della documentazione 11
P115 - Gestione Commessa 158
P120 - Gestione delle risorse umane 161; 162
P133 - Gestione dei flussi informativi verso l'Organismo di Vigilanza 25
P137 - Gestione Privacy del Gruppo Salcef 162
P139 - Gestione delle operazioni con le parti correlate di Salcef Group S.p.A. 160
P141 – Procedura per la gestione interna e la comunicazione all'esterno delle informazioni privilegiate e la tenuta del registro insider 161
P144 – Gestione del Sistema di prevenzione della corruzione 158; 160; 161
P145 – Gestione delle segnalazioni 26; 158; 160; 161
P146 – Gestione degli omaggi, delle ospitalità e delle spese di rappresentanza 158; 161
P156 – Attività di Pianificazione e Controllo Aziendale 12

Relazione
Bilancio Integrato 161

Annex A Italian Legislative Decree 231/2001 and the predicate offences

A.1 Italian Legislative Decree No. 231/2001 as amended and supplemented

On 8 June 2001, by means of Legislative Decree no. 231, which came into force on 4 July 2001, the Italian lawmakers implemented into Italian law the provisions of the international conventions with regard to the liability of legal persons, and in particular the provisions of:

- Brussels Convention of 26 July 1995 on the protection of the European Community's financial interests;
- Brussels Convention of 26 May 1997 on the fight against corruption involving officials of the European Community or officials of Member States of the European Union;
- OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions.

This Decree, containing *"Rules on the administrative liability of legal persons, companies and associations also without legal personality"*, introduced a system of administrative liability on the part of companies, in addition to the criminal responsibility of the natural person who actually committed the offence.

This is a particular form of liability, nominally administrative, but in practice also afflictive and criminal, assigned to companies, associations and entities in general (hereinafter "Organisations") for specific offences committed or attempted in their interest or to benefit them, by:

a) people with the status of representatives, directors or managers of the Organisation or one of its financially and functionally independent organisational units, and persons exercising even the *de facto* management and control of the Organisation ("parties at the top of the organisation's hierarchy, that is, in senior management position" or "senior managers");
b) people under the direction or supervision of one of the parties defined above ("*subordinate parties*" or "subordinates").

The Organisation's liability is irrespective of that of the natural person who committed the act in the interest or to the benefit of the Organisation itself. In fact, this liability exists even if the person who committed the offence cannot be charged or if the offence ceases to exist for a reason other than an amnesty.

The category of "subordinates" may also be considered to include workers who, although they are not "employees" of the Organisation, have a relationship with it which leads to the supposition of an obligation to provide supervision on the part of its top management: this category may include partners, intermediaries, contract workers in general, suppliers, consultants, collaborators, etc.

The distinction between the two categories of parties (senior management and subordinates) is definitely important, since it generates a different level of liability on the part of the Organisation, and differences in the burden of proof (see chapter A.4 - "*Exemption conditions*").

As already mentioned, the Organisation is still liable even if the person who committed the offence cannot be charged or if the offence ceases to exist for a reason other than an amnesty. However, there is also a form of exoneration from responsibility if the Organisation demonstrates that has adopted and effectively implemented an *"Organisation, Management and Control Model"* (hereinafter also "Model") intended to prevent the commission of the offences covered by the Decree.

To qualify, the Model must meet the following requirements (see art. 6 of the Decree):

- *"identify the activities during which offences may be committed";*
- *"include specific protocols to plan the definition and implementation of the organisation's decisions with regard to the offences to be prevented";*
- *"identify procedures for the management of financial resources capable of preventing the commission of offences";*
- *"impose obligations to report to the body tasked with overseeing the operation of and compliance with the models";*
- *"introduce a disciplinary system to punish failure to comply with the measures set out in the models".*

A.2 Crimes attempted and committed abroad

The Organisation is also liable for illegal acts arising from crimes attempted and committed abroad.

In the event of an attempted offence envisaged by the Decree, the fines and debarment (see chapter 0 - "*Applicable Penalties*") are reduced by from one third to one half, while no penalties will be applied if the Organisation voluntarily prevents the commission of the offence or the realisation of the event. In this case the non-application of the penalty is justified by the complete lack of any identification between the Organisation and the parties claiming to act in its name or on its behalf.

With regard to the *locus commissi delicti*, for the purposes of identification of the competent jurisdiction, in the light of the principle of territorial control contained in art. 6 of the Italian Criminal Code, offences arising from crimes committed in Italy are under the Italian criminal jurisdiction, with the necessary provision that, pursuant to paragraph 2 of the said article, "*An offence is considered to have been committed in the State when the action or omission which constitutes, or the event which is the consequence of the action or omission, took place wholly or partially within it*".

This is aimed at extending the applicability of the Italian criminal law to facts that have not been realised in all their elements in the territory of the State, it being sufficient that a "*fragment*" of the crime (a part of the action or omission, or the event) occurred in Italy to make the entire crime fall under the discipline of Italian criminal law.

Therefore, for example, in the event of the offence of bribery to perform an act contrary to office duties (under art. 319 of the *Criminal Code*), where the central action is to "*give or promise money or other benefits*", the offence is considered to have been committed in Italy if the offender provides the benefit or promise there in relation to an act contrary to office duties to be performed by a Public Official abroad.

On the other hand, the Decree extends the effectiveness of the administrative liability of the Organisation by regulating the cases in which the same can be called to answer before the Italian criminal judge for administrative offenses for crimes committed abroad, meaning those wholly committed outside Italy.

In fact, under the terms of the Decree, the Organisation can be held responsible for offences - relevant for the purposes of the Decree - committed abroad (pursuant to art. 4 of the Decree, which refers to Criminal Code articles: 7 "*Offences committed abroad*", 8 "*Political crimes committed abroad*", 9 "*Common crimes committed by Italian nationals abroad*" and 10 "*Common crimes committed by foreigners abroad*"), when the following conditions are met:

- the offence must be committed abroad by a party functionally linked to the Organisation;
- the Organisation must have its principal place of business in Italy;

- the Organisation is responsible in the cases and conditions envisaged by articles 7, 8, 9 and 10 of the Italian Criminal Code;
- if the cases and conditions indicated in the previous point exist, the Organisation is liable as long as the State of the place where the offense was committed does not proceed against it;
- in cases where the law envisages that the guilty party will be punished on the request of the Ministry of Justice, action is only taken against the Organisation if the said request is lodged against it;
- when the criminal law action is brought, the accused must be in Italy and must not have been extradited.

A.3 Procedures for investigation of the crime and assessment of appropriateness of the Model by the Courts

Responsibility on the part of an Organisation for commission of an administrative offence arising from a crime is ascertained in the context of criminal proceedings.

Another rule contained in the Decree, inspired by the aim of ensuring effective, uniform hearing of cases and also saving time and money, is that it is compulsory to combine proceedings: basically, as far as possible the case against the legal person must be tried in conjunction with the criminal proceedings brought against the natural person who committed the offence in the interest or to the benefit of the Organisation itself.

The criminal court ascertains the Organisation's responsibility by means of:

- verification that the predicate offence from which the Organisation's responsibility derives was actually committed;
- verification that the commission of the offence by its employee or senior manager was actually in the interest or to the benefit of the Organisation;
- assessment of appropriateness of the Governance Models adopted.

The Model's abstract appropriateness for the prevention of the offences referred to in the Decree is assessed on the basis of "*posthumous prognosis*". In other words, the adequacy judgement is arrived at substantially by applying an *ex ante* criterion, i.e. prior to commission of the illegal act, so the judge tries to reconstruct the company's' situation at the time when the offence was committed in order to evaluate the suitability of the Model adopted.

A.4 Exemption conditions

The Decree includes forms of exoneration of administrative liability for Organisations. Specifically, article 6 of the Decree establishes that, in the case of crimes committed by top managers, the Organisation shall not be responsible if it proves that:

- the executive body had adopted and effectively implemented, prior to commission of the offence, Organisation and Management Models designed to prevent crimes similar to the one committed;
- the task of overseeing the operation of and compliance with the Models and keeping them up to date has been assigned to a body within the Organisation with independent powers for action and supervision (hereinafter "Supervisory Body");
- the people who committed the offence fraudulently evaded the governance Models;
- the Supervisory Body was operating with due diligence.

Therefore, in the case of an offence committed by a member of the senior management, the Organisation is presumed to be responsible due to the fact that these parties express and represent the intentions of the Organisation itself. However, this presumption can be overruled if the Organisation is able to prove that it met the four conditions contained in art. 6 of the Decree. In that case, although the senior manager continues to be personally responsible, the Organisation is not responsible under the terms of the Decree.

Similarly, art. 7 of the Decree indicates that the Organisation has administrative liability for offences committed by subordinates, if this was made possible by failure to fulfil its obligations to provide management and supervision. However, no such failure to fulfil obligations of management or supervision has taken place if the Organisation proves that it had adopted and effectively implemented, prior to commission of the offence, a governance Model designed to prevent crimes similar to the one committed. Therefore, in this case the adoption of a governance Model on the part of the organisation constitutes a presumption in its favour, reversing the burden of proof, since the prosecution will now have to prove failure to adopt and effectively implement the Model.

Moreover, with regard to offences committed without criminal intent in the area of occupational health and safety, contained in art. 25 *septies* of the Decree, art. 30 of the Consolidated Law on occupational health and safety establishes that in order to be considered adequate and constitute grounds for exemption, the Model must contain specific parts, adopted and effectively implemented, to ensure that the company system includes specific procedures and internal rules capable of guaranteeing compliance with all legal obligations contained in the aforesaid Consolidated Law.

A.5 Applicable sanctions

The sanctions, i.e. penalties, enforceable on Organisations under the Decree in the event of the commission or attempted commission of offences involving their administrative liability fall into the following categories:

- fines;
- debarment;
- confiscation;
- publication of the sentence.

No penalty will be applied if the Organisation voluntarily prevents the commission of the offence or the realisation of the event. In this case the non-application of the penalty is justified by the complete lack of any identification between the Organisation and the parties claiming to act in its name or on its behalf.

Fines

Fines, i.e. financial penalties, are levied in all cases in which the Organisation's responsibility is upheld. Fines consist of from one hundred to one thousand "quotas", which vary in value from €258.23 to a maximum of €1,549.37.

The Court decides the number of quotas on the basis of the gravity of the offence, the degree of responsibility of the Organisation, and any actions taken to eliminate or mitigate the consequence of the event and prevent the commission of further crimes; the amount of the quota is set on the basis of the economic and financial standing of the Organisation concerned.

Debarment

The debarment or disqualification penalties, which may be imposed only where specifically envisaged and only for some offences, are[5]:

- debarment from business;
- suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence;
- ban on negotiating with the Public Administration except in order to obtain public services;
- disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted;
- ban on advertising goods and services.

The presiding judge may impose these debarment measures if at least one of the following conditions is met:

a) the Organisation has profited to a considerable extent from the offence, which was committed:

- by a person in a senior management position, or;
- by subordinates subject to management and supervision if the commission of the offence was due to or facilitated by serious organisational shortcomings;

b) in the event of repeat offences.

The court decides the type of debarment and its duration - minimum three months and maximum two years - on the basis of the gravity of the crime, the Organisation's degree of responsibility, and the action it has taken to eliminate or reduce the consequences of the crime and prevent further offences from being committed.

It should be remembered that in the event that this punishment is applied, the court may order the Organisation's business to be continued by a judicial commissioner.

Debarment measures may also be enforced on the Organisation as a precautionary measure when there are serious indications that the Organisation was responsible for commission of the offence and there are well grounded, specific reasons for believing there is a real danger that more offences of the same type as that being investigated may be committed (art. 45).

[5] The law only envisages the possible application of debarment for some types of offences in the following categories: offences committed in relations with the Public Administration (articles 24 and 25 of the Decree); computer crimes and unlawful processing of personal data (art. 24 *bis* of the Decree); organised crime offences (art. 24 *ter* of the Decree); offences involving counterfeiting of currency, legal tender, revenue stamps, instruments or identification marks (art. 25 *bis* of the Decree); crimes against industry and trade (art. 25 *bis.1* of the Decree); corporate offences (art. 25 *ter* of the Decree); crimes involving terrorism or the subversion of the democratic order (art. 25 *quater* of the Decree); female genital mutilation practices (art. 25 quater.1 of the Decree); crimes against the individual (art. 25 *quinquies* of the Decree); manslaughter or serious or grievous bodily harm, committed in breach of occupational health and safety legislation (art. 25 *septies* of the Decree); offences of receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering (art. 25 *octies* of the Decree); offences relating to non-cash means of payment (art. 25 *octies. 1* of the Decree); copyright infringement crimes (art. 25 *novies* of the Decree); environmental offences (art. 25 *undecies* of the Decree); offences involving the employment of third-country nationals staying in Italy illegally (art. 25 *duodecies* of the Decree); racism and xenophobia offences (art. 25 *terdecies* of the Decree); cheating in sporting competitions, illegal gaming or betting and games of chance by means of prohibited devices (art. 25 *quaterdecies* of the Decree); tax offences (art. 25 *quinquiesdecies* of the Decree); smuggling (art. 25 *sexiesdecies* of the Decree); crimes against the cultural heritage (art. 25-*septiesdecies* of the Decree); laundering of cultural assets and devastation and plundering of cultural and landscape assets (art. 25-*duodevicies* of the Decree).

Failure on the part of the Organisation to comply with a debarment penalty constitutes the offence of "Breach of debarment penalties" under art. 23[6] of Leg. Decree 231/2001.

Confiscation of the price or the proceeds of crime

The sentence issued further to a guilty verdict always includes the confiscation - by equivalence if necessary - of the price[7] or proceeds[8] ("profit") of crime, except for the part to be returned to the injured party, and subject to the rights acquired by third parties in good faith.

Publication of the sentence

The court may order the publication of extracts from or the whole of the sentence finding the Organisation guilty in one or more newspapers, and for it to be affixed in the municipality where the Organisation has its registered office, if a debarment is enforced.

The sentence will be published by the relevant Clerk of the Court's office, at the Organisation's expense.

A.6 Changes to the organisation's status

The Decree also includes clauses which regulate the organisation's capital responsibility for punishments enforced in the event of changes in its status, such as transformations, mergers, demergers or sales of the business.

More specifically, in the event of transformation, the "transformed" organisation retains responsibility even for offences committed prior to the date when the transformation took effect.

In the event of merger, including by incorporation, the organisation created by the merger is also responsible for the offences for which the organisations participating in the merger were responsible.

In general terms, in the event of partial demerger, the divided organisation retains responsibility for offences committed before the date when the division took effect. The organisations which benefited from the division become jointly liable for payment of fines enforced against the divided organisation, up to the limit of the effective value of the net equity transferred.

The Decree establishes the same procedure to be used in cases of both sale and contribution of a business. In the event of sale of a business, the purchaser is jointly liable with the vendor for the fines enforced with regard to offences committed in the context of the business sold, up to the limit of the value transferred

[6] The text defining this offence states: "*Anyone who, in the conduct of the business of an organisation which has been the subject of a debarment penalty or precautionary measure, violates the obligations or prohibitions included in the said penalty or measure, shall be punishable by imprisonment for from six months to three years. In the circumstances referred to in par. 1, the organisation in the interest or to the benefit of which the offence was committed will be subject to an administrative fine of from two hundred to six hundred quotas and confiscation of its proceeds, pursuant to art. 19. If the organisation receives large proceeds from the crime referred to in paragraph 1, debarment penalties will be enforced, even different from those enforced previously.*"

[7] The price is defined as the cash or other financial benefit given or promised to persuade or lead another party to commit the crime.

[8] Proceeds are defined as the financial gain immediately received by the Organisation (see Court of Cassation, Combined Section Sentence no. 38691 of 25.6.2009).

and of the fines recorded in the compulsory accounts, or the fines due to illegal acts of which the purchaser was aware. However, the right to enforce prior payment by the vendor still stands.

A.7 List of predicate offences

The following is the text of the list of predicate offences contained in Leg. Dec. 231/2001.

Art. 24 and Art. 25 - Offences against the Public Administration

The concepts of Public Administration, Public Official and Person in Charge of a Public Service

Offences in relations with the Public Administration presuppose the creation of direct or indirect relationship with the Public Administration or the Judicial Authorities (in the broad sense and also including the Public Administrations of foreign States).

It therefore appears necessary to provide a preliminary definition of the concepts of Public Administration (hereinafter also "PA"), a Public Official (hereinafter also "PO") and a Person in Charge of a Public Service (hereinafter also "PCPS").

Very briefly, the Public Administration comprises all public bodies and parties (State, ministries, regions, provinces, municipalities, etc.) and sometimes private bodies and parties (e.g. concessionaires, contractors providing public services, public-private joint ventures, etc.) and all other parties which in any way fulfil public functions in the interests of the community and therefore in the public interest. The purpose of the establishment of the criminal offences listed in this category is to ensure the smooth operation and the prestige of Public Bodies and, in general, the "*proper operation*" referred to in art. 97 of the Italian Constitution, and, in the event of crimes of fraud, to protect the public purse.

A Public Body is an "*organisation operating under public law*", some of the distinguishing features of which, under EU law, are:

- an entity with legal personality, which may be incorporated as a company;
- subject to the supervision and control of the State, or having more than half the members of its governing and supervisory bodies designated by the State or local government, or financed mainly by the State and public bodies;
- operations conducted not on the basis of the profit motive (economic risk met by the State), pursuing aims of general interest which are neither industrial nor commercial.

Art. 357 of the Italian Criminal Code provides a definition of the Public Official as "*anyone who fulfils a public legislative, judicial or administrative function", specifying that "public administrative function is the function regulated by public law and authoritative acts which involves decision-making by the public administration, the expression of its intentions and the implementation by means of authoritative or certification powers*".

Art. 358 of the Criminal Code defines a Persons in Charge of a Public Service (i.e. "*public servant*") as "*anyone who provides a public service by any title", defining a public service as "an activity governed by the same legislation as a public function but without the powers typical of the latter, and not consisting of the performance of simple routine tasks and provision of mere labour*".

The following are identified as public officials or persons in charge of a public service:

- people who perform a public legislative function, such as, for example:
  - parliamentarians and members of the Government;
  - regional and provincial councillors;
  - MEPs and members of the Council of Europe;

- people who fulfil secondary roles (people who file parliamentary acts and documents, prepare shorthand records, who work in the bursary and technical offices, etc.);

- people who perform a public judicial function, such as, for example:
  - judges (ordinary Law Courts, Appeal Court, Supreme Court of Cassation, High Court of Public Waters, Regional Administrative Tribunal, Council of State, Constitutional Court, Military Tribunals, Assize Court magistrates, justices of the peace, members of formal courts of arbitration and parliamentary commissions of inquiry, judges at the European Court of Justice and various international courts, etc.);
  - people who fulfil related functions (court policemen and officers, finance and state police, clerks of the court, secretaries, official receivers, bailiffs, witnesses, court of conciliation officials, bankruptcy trustees, staff who issue certificates at clerks of the courts' offices, experts and consultants appointed by Public Prosecutors, liquidators in bankruptcy proceedings, liquidators in bankruptcy protection proceedings, extraordinary commissioners for the extraordinary administration of large companies in financial difficulties, etc.);

- people who perform a public administrative function, such as:
  - employees of the State, international and foreign organisations and local bodies (e.g. executives and employees of the State, the European Union, supranational organisations, foreign states and local government, including Regions, Provinces, Municipalities and Mountain Area Authorities; people who occupy roles which support the State's institutional purposes, such as municipal planning department staff, members of planning commissions, head of the planning amnesty administration office, municipal officers, municipal messengers, officials handling permits to occupy public land, municipal officials assigned to the employment office, employees of State and municipal utility companies; tax collectors, public health facility staff, ministry staff, heritage department staff, etc.);
  - employees of other public, national and international bodies (such as executives and employees of the Chamber of Commerce, the Bank of Italy, the Supervisory Authorities, public welfare institutions, ISTAT, the UN, the WHO, etc.);

- private individuals providing public functions or public services (for example, employees of private Organisations operating under licence or whose operations are regulated by public law, or which perform activities in the public interest or totally or partially controlled by the State, etc.).

Activities which, although regulated by public law or authoritative acts, comprise the performance of simple manual tasks or the performance of merely material services, i.e. consisting of mainly applicational or executional procedures which do not involve any independence or discretionality, are not defined as public service.

The definitions of PO and PCPS are not only defined on the basis of criteria of belonging to or being employed by a Public Body but also depend on the type of activity actually performed, which must be a public function or public service, respectively.

Persons not part of the Public Administration may still have the status of PO or PCPS when they perform one of the activities defined as such by articles 357 and 358 of the Italian Criminal Code.

Moreover, art. 322-*bis* of the Italian Criminal Code extends the function of the offences of bribery, "extortion" (*concussione)* and other offences against the Public Administration to cases in which the offence involves:

- members of the Commission of the European Communities, the European Parliament, the European Court of Justice and the European Court of Auditors;
- officials and agents working for the European Communities or people who fulfil equivalent functions;
- those who, within the context of other European Union Member States, perform functions and activities equivalent to those of PO and PCPS;

- those who perform functions and activities equivalent to those of PO and PCPS within foreign States which do not belong to the European Union or international public organisations.

Articles 24 and 25 of Leg. Dec. 231/2001 envisage the offences listed below:

Fraud (art. 640, paragraph 2, of the Italian Criminal Code)

"Anyone who obtains unlawful gains for themselves or others at the expense of other people, by misleading with the aid of tricks or subterfuges, shall be punished by imprisonment for from six months to three years and a fine from €51.00 to €1,032.00.

The punishment is imprisonment for from one to five years and a fine from €309.00 to €1,549.00:

1. if the offence is committed against the State, another public body or the European Union, or with the intention of exempting someone from military service;

2. if the offence is committed by creating the fear of an imaginary threat in the injured party, or giving the misleading impression that they have to fulfil an order from an authority.

2 bis. if the offence is committed in the presence of the circumstance referred to in article 61, number 5).

The offence is punished further to a complaint from the injured party, unless any of the circumstances listed in the previous point apply."

Aggravated fraud for the purpose of obtaining public funds (art. 640-bis of the Italian Criminal Code)

"If the offence referred to in art. 640 refers to grants, subsidies, funding, low-interest loans or other subsidies of the same type, under any name, granted or provided by the State, by other public bodies or by the European Communities, the punishment is imprisonment for from two to seven years and the offence will be liable to prosecution in all cases."

Computer fraud at the expense of the State or another Public Body (art. 640-ter of the Italian Criminal Code)

"Anyone who obtains unlawful gains for themselves or others at the expense of other people, by in any way interfering with the operation of an IT or data transmission system, or through any unauthorised operation on the data, information or programs contained in or relating to an IT or data transmission system, shall be punished by imprisonment for from six months to three years and a fine from €51.00 to €1,032.00.

In any of the circumstances defined in article 640 paragraph 2, subsection 1) applies, i.e. if the offence is committed through abuse of the status of system operator, the punishment is imprisonment for from one to five years with a fine from €309.00 to €1,549.00.

The punishment is imprisonment for from two to six years and a fine of from €600.00 to €3,000.00 if the offence involved theft or unauthorised use of the digital identities of one or more parties.

The offence is punished further to a complaint from the injured party, unless any of the circumstances referred to in the second and third paragraphs or the circumstance covered by article 61, first paragraph, point 5 (limited only to taking advantage of a person's circumstances, also with regard to age) apply".

Embezzlement (art. 314 of the Italian Criminal Code)[9]

"Any public official or person in charge of a public service who, by reason of his office or the service he provides, holds or has access to money or other movable assets belonging to others, and unlawfully appropriates the same, is punishable with a custodial sentence of from four years to ten years and six months." A penalty of imprisonment for from six months to three years is enforced if the culprit has acted for the sole purpose of making temporary use of the property, which was immediately returned after the said temporary use."

Misappropriation of funds and movable assets (art. 314-bis of the Italian Criminal Code)

Outside the cases covered by article 314, the public official or person in charge of a public service, who, through their office or service disposing of the money or other movable assets of others, uses them for a purpose other than the purpose prescribed by specific legal provisions or acts that are legally binding for which there are no margins of discretion and intentionally procures for himself or others an unfair material advantage or unfair harm to others is punished with imprisonment from six months to three years. The custodial sentence is from six months to four years when the act harms the financial interests of the European Union and the unfair material advantage or the wrongful damage exceeds €100,000.00.

Embezzlement by taking advantage of the mistakes of others (art. 316 of the Italian Criminal Code)[10]

"Any public official or person in charge of a public service who, in the provision of his functions or service, takes advantage of the mistakes of others to unlawfully receive or obtain money or other benefits for himself or others, is punishable with a custodial sentence of from six months to three years. If the offence is damaging to the financial interests of the European Union and the damage or proceeds exceed €100,000.00, the punishment is imprisonment for from six months to four years".

Misappropriation of public funds (art. 316-bis of the Italian Criminal Code)

"Anyone not belonging to the public administration, who has received grants, subsidies, funding, low-interest loans or other forms of aid of the same kind, under any name, from the State, another public body or the European Union, for the achievement of one or more purposes, and who fails to use the said moneys for the specified purposes, is punishable by a custodial sentence of from six months to four years."

Unlawful receipt of grants, funds or other subsidies to the detriment of the State (art. 316-ter of the Italian Criminal Code)

"Unless the offence covered by art. 640-bis has been committed, anyone who uses or presents false or untrue declarations or documents, or fails to provide the due information, in order to obtain unlawful access, for themselves or others, to subsidies, grants, funds, low-interest loans or other facilitations of this kind, under any name, from the Italian state, other public bodies or the European Communities, shall be punished with

[9]This offence is only of relevance for the purposes of Leg. Dec. 231/01 if it is committed against the financial interests of the European Union

[10]This offence is only of relevance for the purposes of Leg. Dec. 231/01 if it is committed against the financial interests of the European Union

imprisonment for from six months to three years. If the offence is committed by a public official or a person in charge of a public service through the abuse of his status or powers, the punishment is imprisonment for from one to four years. If the offence is damaging to the financial interests of the European Union and the damage or proceeds exceed €100,000.00, the punishment is imprisonment for from six months to four years.

If the sum unlawfully obtained is equal to or does not exceed €3,999.96, only the administrative punishment of a fine from €5,164.00 to €25,822.00 will be applied. Under no circumstances shall this fine exceed three times the benefit received."

Extortion ("Concussione") (art. 317 of the Italian Criminal Code)

"A public official or a person in charge of a public service who, by abusing his quality or powers, coerces someone to give or unduly promise, to himself or a third party, money or other advantages shall be sentenced to imprisonment from six to twelve years".

Bribery for the performance of one's functions (art. 318 of the Italian Criminal Code)

"A public official who, in order to perform his functions or powers, unduly receives for himself or others, money or other advantages, or accepts the promise thereof, shall be sentenced to imprisonment from three to eight years."

Bribery for the performance of an act contrary to official duties (art. 319 of the Italian Criminal Code)

"A public official who, in order to omit or delay or having omitted or delayed an act related to his office, or in order to perform or having performed an act contrary to the duties of his office, receives for himself or others money or other advantages, or accepts the promise thereof, shall be sentenced to imprisonment from six to ten years."

Aggravating circumstances (art. 319-bis of the Italian Criminal Code)

"The penalty is increased if the fact referred to in Article 319 has as its object the conferral of public employment or salaries or pensions, or the conclusion of contracts in which the administration to which the public official belongs is concerned as well as the payment or reimbursement of taxes".

Corruption in judicial proceedings (art. 319-ter of the Italian Criminal Code)

"If the facts specified in Articles 318 and 319 are committed with a view to favouring or damaging a party to a civil, criminal or administrative proceeding, the punishment shall be a term of imprisonment from six to twelve years.

If the fact gives rise to an unfair conviction to imprisonment for no longer than five years, the punishment shall be imprisonment from six to fourteen years; if it gives rise to an unfair conviction to imprisonment for longer than five years or to life imprisonment, the punishment shall be a term of imprisonment from eight to twenty years".

Undue inducement to give or promise advantages (art. 319-quater of the Italian Criminal Code)

"Unless the act constitutes a more serious offence, a public official or a person in charge of a public service who, by abusing his/her capacity or powers, induces someone to unduly give or promise, to himself/herself

or others, money or other advantages, shall be punished by a term of imprisonment of six years to ten years and six months.

In the cases envisaged above, the person who gives or promises money or other advantages shall be punished by a term of imprisonment of up to three years and, when the offence causes harm to the financial interests of the European Union and the damage or profit amounts to more than €100,000.00, the sentence shall be a term of imprisonment of up to four years"

Bribery of persons charged with a public service (art. 320 of the Italian Criminal Code)

"The provisions of Articles 318 and 319 shall also apply to persons charged with a public service.

In any case, the punishment shall be reduced by no more than one third".

Sanctions for the briber (Article 321 of the Italian Criminal Code)

"The sanctions laid down in the first paragraph of Article 318, in Article 319, Article 319-bis, Article 319-ter and in Article 320 in relation to the aforementioned hypotheses of Articles 318 and 319, also apply to those who give or promise to the public official or to the person in charge of a public service the money or other advantages".

Incitement to bribery (Article 322 of the Italian Criminal Code)

"Any person who offers or promises money or other undue advantages to a public official or a person in charge of a public service, for the exercise of his/her duties or powers, shall be subject, where the offer or promise is not accepted, 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/her office, or to perform an act contrary to his/her duties, the offender shall be subject, if the offer or promise is not accepted, to the penalty laid down in Article 319, reduced by one third.

The sanction referred to in the first paragraph shall apply to a public official or a person in charge of a public service who seeks a promise or bestowal of money or other benefits for the exercise of his duties or powers.

The sanction referred to in the second paragraph shall apply to a public official or a person in charge of a public service who requests a promise or bestowal of money or other benefits from a private individual for the purposes set out in Article 319".

Embezzlement, extortion ("concussione"), undue inducement to give or promise an advantage, bribery and incitement to bribery of the members of international Courts, members of bodies of the European Communities or members of international parliamentary assemblies or international organizations and officials of the European Communities and foreign States (art. 322-bis of the Italian Criminal Code)

"The provisions set forth in Articles 314, 316, from 317 to 320, 322 and 323, third and fourth paragraphs, shall also apply:

1) to the members of the Commission of the European Communities, of the European Parliament, of the Court of Justice and of the Court of Auditors of the European Communities;

2) to contracted officials and agents in accordance to either Staff Regulations applying to officials of the European Communities or to the provisions applying to agents of the European Communities;

3) to any person seconded to the European Communities by the Member States or by any public or private body, who carries out functions corresponding to those performed by the officials or agents of the European Communities;

4) to members and servants of bodies created on the basis of the Treaties establishing European Communities;

5) to those who, within other Member States of the European Union, carry out functions or activities corresponding to those performed by public officials or persons in charge of a public service;

5-bis) to judges, prosecutors, deputy prosecutors, officials and agents of the International Criminal Court, to any person seconded by the States party to the Treaty establishing the International Criminal Court who carries out functions corresponding to those performed by the officials or agents of the International Criminal Court, to members and servants of bodies created on the Treaty establishing the International Criminal Court.

5-ter) to any person who, within international public organizations, carries out functions or activities corresponding to those performed by public officials or persons in charge of a public service;

5-quater) to members of international parliamentary assemblies or of international or supranational organizations and judges and officials of international courts.

5-quinquies) to any person who, within States other than Member States of the European Union, carries out functions corresponding to those performed by public officials or persons in charge of a public service, if the fact harms financial interests of the European Union.

The provisions set forth in Articles 319-quater, second paragraph, 321 and 322, first and second paragraphs, shall also apply whereas the money or other benefits are given, offered or promised:

1) to persons who are referred to in the first paragraph of this article;

2) to persons carrying out functions or activities corresponding to those performed by public officials and persons in charge of a public service in other foreign States or within public international organisations;

Persons indicated in the first paragraph are assimilated to public officials, whereas they carry out equivalent functions, and to persons in charge of a public service in all the other cases.

Influence peddling (art. 346-bis of the Italian Criminal Code)

Except in the cases of commission of the offences specified in articles 318, 319 and 319-ter and in the cases of corruption specified in article 322-bis, anyone who intentionally uses existing dealings with a public official or a person in charge of a public service or one of the other parties specified in article 322-bis to obtain improperly for himself or for others money or another financial benefit or to obtain promises of such payments or financial benefits, to pay a public official or a person in charge of a public service or one of the other parties specified in article 322-bis to perform public duties or to achieve another type of influence peddling is punished with a custodial sentence of between eighteen months and four and a half years.

In the first paragraph, another type of influence peddling is defined as influence peddling to induce the public official or the person in charge of a public service or one of the other parties specified in article 322-

bis to perform an act contrary to official duties that constitutes an offence that may give rise to an improper advantage.

The same punishment applies to anyone who illegally gives or promises money or other economic benefits.

The punishment is increased if the party who unlawfully obtains receipt or the promise, for himself or others, of money or other economic benefits is a public official or a person in charge of a public service or one of the qualifications referred to in Article 322-bis.

The punishment is also increased if the facts 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 subjects referred to in article 322-bis in relation to the fulfilment of an act contrary to official duties or to the omission or delay of an act of his/her office.

The punishment is reduced if the offences are particularly slight".

Interference with bidding procedures (Art. 353 of the Italian Criminal Code)

"Anyone who impedes or interferes with the bidding procedure in public tenders or private competitive bidding procedures on behalf of Public Administrations, or prevents anyone from bidding in them, is punished by a term of imprisonment of from six months to two years and a fine of between €103.00 and €1,032.00.

If the offender is the person assigned by law or the Authorities to run the said tender or competitive bidding procedures, the term of imprisonment is from one to five years and the fine from €516.00 to €2,065.00.

The punishments established in this article also apply in private bidding procedures on behalf of private organisations directed by a public official or a legally authorised person, but are reduced to one half."

Interference with the free choice of contractor (Art. 353-bis of the Italian Criminal Code)

"Unless a more serious offence has been committed, anyone who uses violence or threats, or gifts, promises, conspiracy or any other fraudulent means to interfere with the administrative procedure which establishes the contents of a call for bids or another equivalent document in order to influence the procedures by which the public administration chooses a contractor is punishable by a custodial sentence of from six months to five years and a fine of between €103.00 and €1,032.00".

Fraud in public procurement (Art. 356 of the Italian Criminal Code)

"Anyone who commits fraud in the execution of supply contracts or in the fulfilment of the other contractual obligations referred to in the previous article is punishable by imprisonment for a period of between one and five years and a fine of at least €1,032.00.

The punishment is increased in the cases envisaged by the first section of the previous article".

Agricultural fraud (Art. 2 of Law no. 898 of 1986)

"1. "Unless the offence covered by art. 640-bis of the Italian Criminal Code has been committed, anyone who submits false data or information in order to obtain unlawful access, for themselves or others, to aid, bonuses, compensation, refunds, grants or any other subsidies paid totally or partial by the European Agricultural Guarantee Fund and the European Rural Development Fund is punishable by a custodial sentence of from six months to three years. If the damage or proceeds exceed €100,000.00, the punishment

is imprisonment for from six months to four years". If the sum unlawfully obtained does not exceed €5,000.00, only the administrative sanction covered by the following articles applies.

2. For the intents and purposes of the provisions of paragraph 1 above and of paragraph 1 of art. 3, the national quotas envisaged by Community law to complete the sums paid by the European Agricultural Guarantee Fund and the European Rural Development Fund, and the subsidies payable totally by national state funds under Community law, are considered equivalent to subsidies payable by the aforesaid European Funds. 3. The Court sentence also establishes the amount unduly obtained and orders the guilty party to repay it to the administration which ordered its payment as per paragraph 1".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by articles 24 and 25 of Leg. Dec. 231/2001, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Misappropriation of sums assigned by the State (art. 316-*bis* of the Italian Criminal Code) • Unlawful receipt of grants, funds or other subsidies to the detriment of the State (art. 316-ter of the Italian Criminal Code) • *Interference with bidding procedures (Art. 353 of the Italian Criminal Code)* • *Interference with the free choice of contractor (art. 353-bis of the Italian Criminal Code)* • Fraud in public procurement (art. 356 of the Italian Criminal Code) • Fraud (art. 640, paragraph 2, no.1 of the Italian Criminal Code) • Aggravated fraud for the purpose of obtaining public funds (art. 640-*bis* of the Italian Criminal Code) • Computer fraud at the expense of the state or another public body (art. 640-	Up to 500 quotas From 200 to 600 quotas depending on whether the offence has resulted in a large profit or particularly serious damage	• Ban on negotiating with the Public Administration except in order to obtain public services • Disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • Ban on advertising goods or services

Offence	Fines	Debarment
ter of the Italian Criminal Code) • Agricultural fraud (Art. 2 of Law no. 898 of 1986)		
• Embezzlement (art. 314 of the Italian Criminal Code) • Misappropriation of funds and movable assets (art. 314-bis of the Italian Criminal Code) • Embezzlement by taking advantage of the mistakes of others (art. 316 of the Italian Criminal Code) • Bribery for the performance of one's functions (art. 318 of the Italian Criminal Code) • Sanctions for the briber (art. 321 of the Italian Criminal Code). • Incitement to bribery (art. 322, par. 1 and 3 of the Italian Criminal Code) • Influence peddling (art. 346-*bis* of the Italian Criminal Code)	Up to 200 quotas (also if the offences were committed by the people specified in articles 320 and 322-*bis* of the Italian Criminal Code[11])	
• Bribery for the performance of an act contrary to official duties (art. 319 of the Italian Criminal Code) • Corruption in judicial proceedings (art. 319-*ter*, paragraph 1 of the Italian Criminal Code)	From 200 to 600 quotas (also if the offences were committed by the people specified in articles 320 and 322-*bis* of the Italian Criminal Code)	For a period of at least four and not more than seven years, if the offence was committed by one of the parties specified by art. 5, paragraph 1, point a); for a period of at least two and not more than four years, if the offence was committed by one of the parties specified by article 5, paragraph 1, point b); all debarment measures envisaged by art. 9, paragraph 2 of the Decree:

[11] Art. 25 c.4 of Leg. Decree 231/2001.

Offence	Fines	Debarment
• Sanctions for the briber (art. 321 of the Italian Criminal Code) • Incitement to bribery (circumstances envisaged by art. 322, par. 2 and 4 of the Italian Criminal Code)		• debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Extortion ("*Concussione*") (art. 317 of the Italian Criminal Code) • Bribery for the performance of an act contrary to official duties (art. 319 of the Italian Criminal Code), aggravated pursuant to art. 319-*bis* of the Italian Criminal Code, when the organisation received a large profit from the offence • Corruption in judicial proceedings if the offence results in a wrongful guilty verdict (art. 319-*ter*, par. 2 of the Italian Criminal Code) • Undue inducement to give or promise an advantage (art. 319-*quater* of the Italian Criminal Code) • Sanctions for the briber (art. 321 of the Italian Criminal Code)	From 300 to 800 quotas (also if the offences were committed by the people specified in articles 320 and 322-*bis* of the Italian Criminal Code)	For a period of at least four and not more than seven years, if the offence was committed by one of the parties specified by art. 5, paragraph 1, point a); for a period of at least two and not more than four years, if the offence was committed by one of the parties specified by article 5, paragraph 1, point b); all debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 24-*bis* - Computer crimes and the unlawful processing of data

Digital documents (Art. 491-bis of the Italian Criminal Code)

"If any of the forms of false statements or forgery envisaged in this point concerns a public digital document with validity as evidence, the provisions of the point relating to public deeds shall apply."

Hacking into an IT or data transmission system (Art. 615-ter of the Italian Criminal Code

"Anyone who illegally accesses a computer or data transmission system protected by security measures against the stated or implicit wishes of the party entitled to deny access is punishable by imprisonment of up to three years.

The punishment shall be a term of imprisonment from one to five years:

1) *if the offence is committed by a public official or a person in charge of a public service and involves abuse of powers or breach of the duties inherent in the function or service, by a person acting, legally or illegally, as a private detective, or through abuse of the role of system operator;*

2) *if the offender uses violence against property or persons to commit the offence, or is obviously armed;*

3) *if the offence leads to the destruction of or damage to the system or takes it totally or partially out of service, or causes the destruction or corruption of the data, information or programs contained in the system.*

If the offences covered by the first and second paragraphs relate to computer or data transmission systems of relevance for the armed forces, the police, public security, health or civil protection, or of public interest in any way, the punishment is respectively, imprisonment for from three to ten and four to twelve years.

In the circumstances envisaged by the first paragraph, the offence will be prosecuted on receipt of a complaint from the injured party; otherwise, offenders will be prosecuted automatically".

Illegal possession, distribution and installation of devices, passwords and other means of access to IT or data transmission systems (Art. 615-quater of the Italian Criminal Code)

"Anyone who illegally, and with the aim of procuring gain for themselves or others or causing damage to others, holds, produces, obtains, copies, disseminates, imports, discloses or consigns, or in any other way makes available to others or installs, devices, instruments, devices or instrument parts, usernames, passwords or other items capable of providing access to a computer or data transmission system protected by security measures, or in any way supplies instructions or information for the above purpose, shall be liable to imprisonment for up to two years and a fine of up to €5,164.00.

A custodial sentence of two to six years is imposed when one of the circumstances specified in article 615-ter, second paragraph, number 1 occurs.

A custodial sentence of three to eight years is imposed when the offence relates to the information technology or electronic systems referred to in Article 615-ter, third paragraph.

Illegal tapping, prevention or blocking of digital or data transmission communications (Art. 617-quater of the Italian Criminal Code)

"Anyone who fraudulently taps computerised or data transmission communications or communications between multiple systems, or prevents or blocks any such communications, shall be punished by imprisonment for from one year and six months to five years.

Unless a more serious offence has been committed, anyone who discloses all or part of the contents of the communications referred to in the first point shall be liable to the same punishment.

Prosecution for the offences described in the first and second points shall be in response to a complaint from the injured party.

However, prosecution will be automatic and the punishment is imprisonment for from three to eight years if the offence was committed:

1) to the detriment of any of the computer or telematic systems indicated in Article 615-ter, third paragraph;

2) to the detriment of a public official in the performance of his/her duties or because of his/her functions or is committed by a public official or a person in charge of a public service, with abuse of powers or with infringement of duties inherent to the function or the service, or by someone who practises, also abusively, the profession of private investigator, or pretends to be an operator of the system;

3) by someone who practises, also abusively, the profession of private investigator.

Illegal possession, distribution and installation of equipment and other items designed to tap, prevent or block computer or digital transmission communications (art. 617-quinquies of the Italian Criminal Code)

"Anyone who, except in the circumstances permitted by law, obtains, holds, produces, copies, distributes, imports, communicates, delivers or otherwise makes available to others or installs equipment, programs, usernames, passwords or other items designed to hack communications on IT or data transmission systems or between multiple systems with the aim of hacking, preventing or blocking communications relating to an IT or data transmission system or between multiple systems shall be punishable by imprisonment for from one to four years."

If one of the circumstances specified in article 617-quater, fourth paragraph, number 2) occurs, a custodial sentence of two to six years is imposed.

If one of the circumstances specified in article 617-quater, fourth paragraph, number 1) occurs, a custodial sentence of three to eight years is imposed.

Extortion (Art. 629 of the Italian Criminal Code)

"Anyone who uses violence or threats to force someone to do or omit anything, obtains for himself or others unfair profit at the expense of others, shall be subject to five to ten years' imprisonment and a fine from €1,000.00 to €4,000.00.

A custodial sentence of seven to twenty years and a fine from €5,000.00 to €15,000.00 is imposed if one of the circumstances occurs that is indicated in the third paragraph of article 628.

Anyone who, through the conduct specified in articles 615-ter, 617-quater, 617-sexies, 635-bis, 635-quater and 635-quinquies or by threatening to engage in it, forces anyone to do or omit anything, procuring themself or others an unfair profit at the expense of others, shall be subject to six to twelve years' imprisonment and a fine from €5,000.00 to €10,000.00. A custodial sentence of eight to twenty-two years

and a fine from €6,000.00 to €18,000.00 is imposed if one of the circumstances occurs that is indicated in the third paragraph of article 628 and if the victim is a person who is incapacitated by age or infirmity".

Damage to digital information, data and programs (art. 635-bis of the Italian Criminal Code)

"Unless a more serious offence is committed, anyone who destroys, damages, deletes, modifies or suppresses information, data, or computer programs belonging to others shall be punishable, on submission of a complaint by the injured party, by imprisonment for from two to six years.

the punishment shall be a term of imprisonment from three to eight years:

1) if the offence is committed by a public official or a person in charge of a public service and involves abuse of powers or breach of the duties inherent in the function or service, by a person acting, legally or illegally, as a private detective, or through abuse of the role of system operator;

2) If the culprit is guilty of using threats or violence or is clearly armed".

Damage to information, data and public programmes or programmes of interest (Art. 635-ter of the Italian Criminal Code)

"Unless the act constitutes a more serious offence, anyone who commits an act intended to destroy, degrade, delete, alter or suppress information, data or computer programmes of military concern or relating to public order or public safety or to health or civil defence or anyway of public interest shall be subject to two to six years' imprisonment".

Damaging of IT or data transmission systems (art. 635-quater of the Italian Criminal Code)

"Unless a more serious offence is committed, anyone who renders the IT or data transmission systems of others totally or partially unusable or seriously obstructs their operation by means of the conduct set out in article 635-bis, or by entering or transmitting data, information or programs, will be punished by imprisonment for from two to six years.

the punishment shall be a term of imprisonment from three to eight years:

1) if the offence is committed by a public official or a person in charge of a public service and involves abuse of powers or breach of the duties inherent in the function or service, by a person acting, legally or illegally, as a private detective, or through abuse of the role of system operator;

2) If the culprit is guilty of using threats or violence or is clearly armed".

Illegal possession, distribution and installation of equipment, devices or computer programs designed to damage or disrupt the operation of a computer or data transmission system (art. 635-quater of the Italian Criminal Code)

"Anyone who illegally obtains, holds, produces, copies, imports, distributes, transfers, communicates, delivers or otherwise makes available to others or installs equipment, devices, or IT programs with the aim of illegally damaging an IT or data transmission system or the information, data or programs contained in or related to the same, or of totally or partially disrupting or modifying its operation, shall be punishable by up to two years' imprisonment and a fine of up to €10,329.00.

A custodial sentence of two to six years is imposed when one of the circumstances specified in article 615-ter, second paragraph, number 1) occurs.

A custodial sentence of three to eight years is imposed when the offence relates to the information technology or electronic systems referred to in Article 615-ter, third paragraph.

Damaging of IT or data transmission systems of public interest (Art. 635-quinquies of the Italian Criminal Code)

"Unless a more serious offence is committed, anyone who commits acts aimed at destroying, damaging or rendering the IT or data transmission systems of public interest totally or partially unusable or seriously obstructs their operation by means of the conduct set out in article 635-bis, or by entering or transmitting data, information or programs, will be punished by imprisonment for from two to six years.

the punishment shall be a term of imprisonment from three to eight years:

1) if the offence is committed by a public official or a person in charge of a public service and involves abuse of powers or breach of the duties inherent in the function or service, by a person acting, legally or illegally, as a private detective, or through abuse of the role of system operator;

2) If the culprit is guilty of using threats or violence or is clearly armed;

3) if the offence leads to the destruction, damage, deletion, modification or suppression of the digital information, data or programs concerned.

A custodial sentence of four to twelve years occurs when one of the circumstances specified in points 1) and 2) of the second paragraph occurs in combination with one of the circumstances of 3).".

Computer fraud on the part of a party providing electronic signature certification services (Art. 640-quinquies of the Italian Criminal Code)

"A party providing electronic signature certification services who breaches the legal obligations for issue of an approved certificate in order to generate undue profit for himself or others or to damage others will be punishable by imprisonment for up to three years and a fine of from €51.00 to €1,032.00.

Offences regarding the cyber security perimeter (article 1, paragraph 11, of Decree Law no. 105 of 21 September 2019)

"Anyone who, with the aim of obstructing or influencing the procedures referred to in par. 2, subsection b), or par. 6, subsection a), or the inspection and supervisory activities envisaged by par. 6, subsection c), provides misleading information, data or accounts of events relevant for the issue or updating of the lists referred to in par. 2, subsection b), or the purposes of the communications covered by par. 6, subsection a), or for the performance of the inspection and supervisory activities referred to by par. 6, subsection c), or fails to disclose the aforesaid data, information or accounts of events by the set deadlines, is punishable by imprisonment for from one to three years".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 24-*bis* of Leg. Dec. 231/2001, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Hacking into an IT or data transmission system (art. 615-*ter* of the Italian Criminal Code) • Illegal possession, distribution and installation of equipment and other items designed to tap, prevent or disrupt computer or digital transmission communications (art. 617-*quater* of the Italian Criminal Code) • Illegal possession, distribution and installation of equipment and other items designed to tap, prevent or disrupt computer or digital transmission communications (art. 617-*quinquies* of the Italian Criminal Code) • Damage to digital information, data and programs (art. 635-*bis* of the Italian Criminal Code) • Damage to digital information, data or programs used by the State or any other public or public utility entity (art. 635-*ter* of the Italian Criminal Code) • Damaging of IT or data transmission systems (art. 635-*quater* of the Italian Criminal Code) • Damaging of IT or data transmission systems of public utility (art. 635-*quinquies* of the Italian Criminal Code)	From 200 to 700 quotas	• Debarment from business; • Suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence • Ban on advertising goods or services

Offence	Fines	Debarment
• Illegal possession, distribution and installation of devices, passwords and other means of access to IT or data transmission systems (Art. 615-*quater* of the Italian Criminal Code) • Illegal possession, distribution and installation of equipment, devices or computer programs designed to damage or disrupt the operation of a computer or data transmission system (art. 615-*quinquies* of the Italian Criminal Code)	Up to 400 quotas	• Suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence • Ban on advertising goods or services
• Digital documents (art. 491-*bis* of the Italian Criminal Code) • Computer fraud on the part of a party providing electronic signature certification services (art. 640-*quinquies* of the Italian Civil Code) • Offences regarding the cyber security perimeter (article 1, paragraph 11, of Decree Law no. 105 of 21 September 2019)	Up to 400 quotas	• Ban on negotiating with the public administration except in order to obtain public services; • Disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted • Ban on advertising goods or services
• Extortion (Art. 629 of the Italian Criminal Code)	From three hundred to eight hundred quotas	• Debarment from business; • Suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • Ban on negotiating with the public administration except in order to obtain public services; • Disqualification from facilitations, loans, grants or subsidies and the possible

Offence	Fines	Debarment
		revocation of any already granted; • Ban on advertising goods or services. for a period of not less than two years

Art. 24-ter - Organised crime offences

Criminal conspiracy (art. 416 of the Italian Criminal Code)

"When three or more people form an association for the purpose of committing more than one crime, the people who promote, establish or organise the conspiracy shall be punishable, for this fact alone, by imprisonment for from three to seven years.

For the sole fact of membership of the association, the punishment is imprisonment for from one to five years.

The leaders are liable to the same punishment as the promoters.

If the members bear arms in the countryside or on the public highway, the punishment is imprisonment for from five to fifteen years.

The punishment is increased if the conspiracy has ten or more members.

If the purpose of the conspiracy is the commission of one of the crimes covered by articles 600, 601, 601-bis and 602, or article 12, paragraph 3-bis of the consolidated text on immigration and the treatment of foreigners, contained in Legislative Decree no. 286 of 25 July 1998, and articles 22, paragraphs 3 and 4, and 22-bis, paragraph 1 of Law no. 91 of 1 April 1999, the punishment is imprisonment for from five to fifteen years in the cases covered by the first paragraph and from four to nine years in those covered by the second paragraph.

If the purpose of the conspiracy is to commit one of the crimes envisaged by articles 600-bis, 600-ter, 600-quater, 600-quater.1, 600-quinquies or 609-bis, if the victim of the crime is less than eighteen years old, 609-quater, 609-quinquies, or 609-octies if the victim of the crime is less than eighteen years old, and 609-undecies, the punishment will be imprisonment for from four to eight years in the cases envisaged by the first paragraph and imprisonment for from two to six years in the cases envisaged by the second *paragraph*".

Mafia-type associations, including foreign ones (art. 416-bis of the Italian Criminal Code)

"Anyone belonging to a Mafia-type crime syndicate with three or more members is punishable by from ten to fifteen years' imprisonment.

The people who promote, establish or organise the association shall be liable, for this fact alone, to imprisonment for from twelve to eighteen years.

A criminal association is defined as Mafia-like when those taking part use the membership bond and the intimidation arising from the consequent subordination and loyalty for the purposes of committing crimes, to acquire the direct or indirect management or control of businesses, concessions, authorisations, public contracts and services, or to produce unlawful profits or benefits for themselves or others, or in order to impede or obstruct the free exercise of voting rights, or to procure votes for themselves or others at elections.

If the association is armed, the punishment is imprisonment for from twelve to twenty years in the cases covered by the first paragraph and from fifteen to twenty-six years in those covered by the second paragraph.

An association is considered to be armed when the members have access to weapons or explosives, even if they are concealed or kept in a place of storage, for the pursuance of the association's aims.

"If the businesses of which the members intend to gain or maintain control are totally or finally financed with the price, the proceeds or profit of crimes, the punishments established in the previous points are increased by from one third to one half. The confiscation from the convicted party of the items which were used or intended for the commission of the crime, the items which constitute its price, proceeds or profit, and the items in which the latter were invested, is compulsory in all cases".

The provisions of this article also apply to the camorra and other associations, known locally by any name, which use the intimidatory strength of the membership bond to pursue aims the same as those defined for Mafia-type associations."

Exchange of votes between politicians and mafia members (art. 416-ter of the Italian Criminal Code)

"Anyone who accepts, directly or through intermediaries, the promise to procure votes by members of the associations referred to in article 416-bis or by the methods described in the third paragraph of article 416-bis in exchange for the payment or the promise to pay money or any other benefit, or in exchange for the willingness to serve the interest and demands of the Mafia-type association, is liable to the punishment established in the first paragraph of article 416-bis.

The same punishment is applied to those promising, directly or through intermediaries, to procure votes in the cases described in the first paragraph.

If the person who has accepted the promise of votes under an agreement as per the first paragraph has been elected at the relative elections, the punishment established by the first paragraph of article 416-bis increased by one half shall apply.

Anyone convicted of the offences covered by this article shall always be permanently debarred from holding public office."

Kidnapping for ransom (art. 630 of the Italian Criminal Code)

"Anyone who kidnaps another person in order to make an unlawful profit for themselves or others in exchange for release is punished by imprisonment for from twenty-five to thirty years.

If the kidnap leads in any way to the death of the victim as the unintentional outcome of the crime, the offender is punished by thirty years' imprisonment.
If the offender causes the death of the victim, the punishment is life imprisonment.
Any member of the conspiracy who breaks with the group and enables the victim to regain their freedom without payment of the ransom is liable to the punishment envisaged by article 605. However, if the victim

dies after release as a consequence of the kidnap, the punishment shall be a term of imprisonment from six to fifteen years.
For any member of the conspiracy who breaks with the group and, excluding the circumstances envisaged by the previous paragraph, takes steps to ensure that there are no further consequences of the crime or works to assist the policy or judiciary in gathering decisive evidence for the identification or capture of the conspirators, the punishment of life imprisonment is reduced to imprisonment for from twelve to twenty years and the other punishments are reduced by from one third to two thirds.
When there are attenuating circumstances, the punishment envisaged in the second paragraph is replaced by imprisonment for from twenty to twenty-four years; the punishment envisaged in the third paragraph is replaced by imprisonment for from twenty-four to thirty years. When there is more than one attenuating circumstance, the punishment applied after the reductions may not be less than ten years in the circumstances envisaged by the second point and fifteen years in those covered by the third paragraph.

The punishment limits envisaged in the previous paragraph may be exceeded in the event of the attenuating circumstances described in paragraph five of this article".

Conspiracy for the trafficking of narcotic or mind-altering drugs (art. 74 of Presidential Decree no. 309 of 9 October 1990)

"When three or more people form an association for the purpose of committing more than one of the crimes envisaged by article 73, the people who promote, establish, organise or finance the conspiracy shall be punishable, for this fact alone, by imprisonment for a period of at least twenty years.

All members of the criminal conspiracy are punishable by imprisonment for at least ten years.

The punishment is increased if the association has ten or more members or if its members include narcotic or mind-altering drug users.

If the association is armed, the punishment must be at least twenty-four years' imprisonment in the cases described in paragraphs 1 and 3 and twelve years' imprisonment in the case envisaged in paragraph 2. An association is considered to be armed when the members have access to weapons or explosives, even if they are concealed or kept in a place of storage.

Illegal manufacture, importation into the State, sale, offering for sale or transfer of military or military type weapons or parts of the same, explosives, illegal arms or ordinary firearms (art. 407, paragraph 2, point a), no. 5, of the Italian Criminal Code).

"Anyone who manufactures, imports into the State, offers for sale or transfers, by any title, military or military type weapons, or parts of the same, suitable for use, military ammunition, explosives of any kind, chemical weapons or any offensive weaponry, or collects the same, shall be punishable by imprisonment for from three to twelve years and a fine of from €10,000.00 to €50,000.00.

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 24-*ter* of Leg. Dec. 231/2001, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Criminal conspiracy (art. 416, paragraph 6 of the Italian Criminal Code) • Mafia-type associations, including foreign ones (art. 416-*bis* of the Italian Criminal Code) • Exchange of votes between politicians and mafia members (art. 416-*ter* of the Italian Penal Code) • Kidnapping for ransom (art. 630 of the Italian Criminal Code) • Conspiracy for the trafficking of narcotic or mind-altering drugs (art. 74 of Presidential Decree no. 309/90)	From 400 to 1000 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.
• Criminal conspiracy (art. 416, except paragraph 6, of the Italian Criminal Code) • Illegal manufacture, importation into the State, sale, offering for sale, transfer, possession and bearing of weapons (art. 407, paragraph 2, subsection a) (5) of the Criminal Procedural Code).	From 300 to 800 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Offence	Fines	Debarment
		If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.

Art. 25-bis - Counterfeiting of currency, legal tender, revenue stamps, instruments or identification marks

Counterfeiting currency, spending counterfeit currency and conspiring to bring it into the State (art. 453 of the Italian Criminal Code)

Punishment comprising imprisonment for from three to twelve years and a fine of between €516.00 and €3,098.00 will be enforced on:

1) anyone who counterfeits national or foreign currency which is legal tender inside or outside the State;

2) anyone who in any way tampers with genuine currency so that it appears to have a higher value;

3) anyone who has not been complicit in the counterfeiting or tampering but conspires with the counterfeiter or an intermediary to import counterfeited to tampered currency into the State or possesses or spends it, or otherwise puts it into circulation;

4) anyone who purchases or in anyway receives counterfeited or tampered currency from the counterfeiter or intermediary, for the purposes of putting it into circulation.

5) The same punishment will be enforced on anyone who, legally authorised to produce currency, unlawfully uses the tools or materials at his disposal to produce currency in excess of the prescribed amount.

The punishment is reduced by one third when the offences referred to in the first and second paragraphs refer to currency which does not yet have legal tender and the date for it to go into circulation has been set."

Tampering with currency (art. 454 of the Italian Criminal Code)

"Anyone who tampers with currency of the type referred to in the previous article, in any way modifying its value, or commits any of the offences specified in points 3 and 4 of the aforesaid article in relation to currency that has been thus tampered with, is punishable by imprisonment for from one to five years and a fine of from €103.00 to €516.00".

Spending counterfeit currency and bringing it into the State without conspiracy (art. 455 of the Italian Criminal Code)

"Anyone who, except for the cases described in the two previous articles, imports counterfeit or tampered currency into the State, or purchases or possesses it, with the aim of putting it into circulation, or spends it or otherwise puts it into circulation, shall be subject to the punishments established by the said articles, reduced by from one third to one half".

Spending counterfeit currency received in good faith (art. 457 of the Italian Criminal Code)

"Anyone who spends or otherwise puts into circulation counterfeit or tampered currency which he has received in good faith is punishable by imprisonment for up to six months or a fine of up to €1,032.00."

Counterfeiting revenue stamps, bringing into the State, purchase, possession or circulation of counterfeit revenue stamps (art. 459 of the Italian Criminal Code)

"The provisions of articles 453, 455 and 457 are also applied to the counterfeiting of or tampering with revenue stamps and the import into the State, or the purchase, possession and putting into circulation of counterfeit revenue stamps, but the punishments are reduced by one third.

For the purposes of criminal law, 'duty stamps' are stamp-impressed paper, revenue stamps, stamps and other equivalent revenue instruments according to special laws".

Counterfeiting watermarked paper used for the production of legal tender or revenue stamps (art. 460 of the Italian Criminal Code)

"Anyone who counterfeits the watermarked paper used for the production of legal tender or revenue stamps, or who purchases, holds or disposes of the said counterfeit paper, is punishable, unless a more serious offence has been committed, by imprisonment for from two to six years and a fine of from €309.00 to €1,032.00".

Manufacture or possession of watermarks or tools intended for use for the counterfeiting of currency, revenue stamps or watermarked paper (art. 461 of the Italian Criminal Code)

"Anyone who manufactures, purchases, possesses or disposes of watermarks and IT programs, data or tools used for the counterfeiting or tampering of currency, revenue stamps or watermarked paper is punishable, unless a more serious offence has been committed, by imprisonment for from one to five years and a fine of from €103.00 to €516.00".

The same punishment applies if the offence under the first paragraph refers to holograms or other currency components intended to provide safeguards against counterfeiting and tampering".

Use of counterfeit or altered duty stamps (Article 464 of the Italian Criminal Code)

Anyone who, without being a party to the counterfeiting or forgery, uses the said counterfeited or tampered revenue stamps, is punishable by imprisonment for up to three years and a fine up to €516.00.

If the stamps have been received in good faith, the punishment established in article 457 shall apply, reduced by one third".

Counterfeiting, forging or using brands, identification marks or patents, models and designs (art. 473 of the Italian Criminal Code).

"Anyone, in a position to be aware of the existence of industrial property rights, counterfeits or forges the national or international brands or identification marks of industrial products or anyone, who, without being a party to the counterfeiting or forgery, uses the said counterfeited or forged brands or identification marks, is punishable by imprisonment for from six months to three years and a fine of from €2,500.00 to €25,000.00.

Anyone who counterfeits or forges national or foreign patents, drawings or industrial models, or, without being a party to the counterfeiting or forgery, uses the said counterfeited or forged patents, drawings or models, will be punishable by imprisonment for from one to four years and a fine of from €3,500.00 to €35,000.00.

The offences covered by the first and second paragraphs are liable to punishment on condition that the provisions of domestic law, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with".

Importation and sale of products with forged identification marks (art. 474 of Italian Criminal Code)

"In circumstances where the offences covered by art. 473 do not apply, anyone who imports industrial products with fake or forged brands or other identification marks for the purposes of profit, is punishable by imprisonment for a period of from one to four years and a fine of from €3,500.00 to €35,000.00.

In circumstances where the offences of counterfeiting, forgery and importation do not apply, anyone who keeps for the purposes of sale, offers for sale or otherwise circulates the products covered by the first paragraph for the purposes of profit is punishable by imprisonment for a period of up to two years and a fine of up to €20,000.00.

The offences covered by the first and second paragraphs are liable to punishment on condition that the provisions of domestic law, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*bis* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Counterfeiting currency, spending counterfeit currency and conspiring to bring it into the State (art. 453 of the Italian Criminal Code)	From 300 to 800 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services;

Offence	Fines	Debarment
		• disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Tampering with currency (art. 454 of the Italian Criminal Code) • Counterfeiting watermarked paper used for the production of legal tender or revenue stamps (art. 460 of the Italian Criminal Code) • Manufacture or possession of watermarks or tools intended for use for the counterfeiting of currency, revenue stamps or watermarked paper (art. 461 of the Italian Criminal Code)	Up to 500 quotas	For a period not exceeding one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Spending counterfeit currency and bringing it into the State without conspiracy (art. 455 of the Italian Criminal Code).	From 300 to 800 quotas, reduced by one third to one half Up to 500 quotas, reduced by one third to one half	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted;

Offence	Fines	Debarment
		• ban on advertising goods or services.
• Spending counterfeit currency received in good faith (art. 457 of the Italian Criminal Code) • Use of counterfeit or tampered revenue stamps (art. 464 of the Italian Criminal Code)	Up to 200 quotas	
• Counterfeiting duty stamps, bringing into the State, purchase, possession or circulation of counterfeit revenue stamps (art. 459 of the Italian Criminal Code);	The punishments in articles 453, 455 and 457 of the Italian Criminal Code, reduced by one third.	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Use of counterfeit or tampered revenue stamps (art. 464, paragraph 1 of the Italian Criminal Code)	Up to 300 quotas	None
• Counterfeiting, forging or using brands, identification marks or patents, models and designs (at. 473 of the Italian Criminal Code). • Importation and sale of products with forged identification marks (art. 474 of Italian Criminal Code)	Up to 500 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence;

Offence	Fines	Debarment
		• ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 25-*bis* 1 – Crimes against industry and trade

Disruption of the freedom of industry or trade (art. 513 of the Italian Criminal Code)

"Anyone using violence against property or fraudulent means in order to prevent or disrupt the business of an industrial or trading concern is punishable on prosecution further to a complaint by the injured party, if a more serious offence is not committed, by imprisonment for up to two years and a fine of from €103.00 to €1,032.00"

Unfair competition with threats or violence (art. 513-bis of the Italian Criminal Code)

"Anyone who, in the conduct of a trading, industrial or productive activity, engages in competition with the aid of violence or threats, is punishable by imprisonment for from two to six years".

The punishment is increased if the competition relates to a financial operation run entirely or partially and in any way by the State or other public bodies.

Fraud against domestic industries (art. 514 of the Italian Criminal Code)

"Anyone who harms domestic industry by offering for sale or otherwise circulating industrial products with counterfeited or forged names, brands or identification marks on the domestic or foreign markets shall be punishable by imprisonment for from one to five years and a fine of at least €516.00.

If the provisions of domestic laws or international conventions on the protection of industrial property rights have been complied with in relation to the brands or identification marks, the punishment is increased and the contents of articles 473 and 474 do not apply."

Fraud in the exercise of trade (art. 515 of the Italian Criminal Code)

"Unless a more serious offence is committed, anyone who, during the conduct of a commercial business, or in a factory shop open to the public, sells the purchaser a movable asset under the pretence that it is a different one, or a movable asset different in origin, production history, quality or quantity from that declared or agreed, is punishable by up to two years' imprisonment or a fine of up to €2,065.00.

If the offence involves valuables, the punishment is imprisonment for up to three years or a fine of at least €103.00."

Sale of non-genuine foodstuffs as genuine (art. 516 of the Italian Criminal Code)

"Anyone who offers for sale or otherwise trades in non-genuine foodstuffs as genuine is punishable by imprisonment for up to six months or a fine of up to €1,032.00".

Sale of industrial products with misleading marks (art. 517 of the Italian Criminal Code)

"Anyone who holds for sale, offers for sale or otherwise places on the market creative works or industrial products with national or foreign names, brands or identification marks intended to mislead the purchaser with regard to the origin, production history or quality of the work or product is punishable, if the offence does not constitute a crime under other legislation, by up to two years' imprisonment and a fine of up to €20,000.00".

Manufacture and sale of goods by infringing industrial property rights (art. 517-ter of the Italian Criminal Code)

"Subject to the application of articles 473 and 474 anyone who, being in a position to be aware of industrial property rights, manufactures or uses for industrial purposes objects or other goods produced through the infringement or breach of an industrial property right is punishable, on submission of a complaint by the injured party, by up to two years' imprisonment and a fine of up to €20,000.00.

Anyone who brings goods as described in the first paragraph into the State, holds them for sale, offers them for sale by direct marketing or in any way places them in circulation is liable to the same punishment.

The provisions of articles 474-bis, 474-ter, second paragraph and 517-bis, second paragraph, apply.

The offences covered by the first and second paragraphs are liable to punishment on condition that the provisions of domestic law, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with."

Counterfeiting of geographical indications and designations of origin for agro-food products (art. 517-quater of the Italian Criminal Code)

"Anyone who counterfeits or otherwise forges the geographical indications or designations of origins of agro-food products is punishable by imprisonment for up to two years and a fine of up to €20,000.00.

Anyone who brings the said products with counterfeit geographical indications or designations into the State, holds them for sale, offers them for sale by direct marketing or in any way places them in circulation is liable to the same punishment.

The provisions of articles 474-bis, 474-ter, second paragraph and 517-bis, second paragraph, apply.

The offences covered by the first and second paragraphs are liable to punishment on condition that the provisions of domestic law, EU regulations and international conventions on the protection of geographical indications and designations of origin of agro-food products have been complied with".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*bis* 1 of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Disruption of the freedom of industry or trade (art. 513 of the Italian Criminal Code) • Fraud in the exercise of trade (art. 515 of the Italian Criminal Code) • Sale of non-genuine foodstuffs as genuine (art. 516 of the Italian Criminal Code) • Sale of industrial products by misrepresentation (art. 517 of the Italian Criminal Code) • Manufacture and sale of goods by infringing industrial property rights (art. 517-ter of the Italian Criminal Code) • Counterfeiting of geographical indications and designations of origin for agro-food products (art. 517-*quater* of the Italian Criminal Code)	Up to 500 quotas	None
• Unfair competition with threats or violence (art. 513-*bis* of the Italian Criminal Code) • Fraud against domestic industries (art. 514 of the Italian Criminal Code)	Up to 800 quotas	All the debarment measures envisaged by article 9, paragraph 2, of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 25-*ter* - Corporate offences

False corporate reporting (art. 2621 of the Italian Civil Code)

"Except for the circumstances envisaged by article 2622, any directors, general managers, managers in charge of financial reporting, statutory auditors or liquidators, who, in order to obtain undue profit for themselves or others, knowingly include in the company's financial statements, reports or other corporate reporting required by law, addressed to shareholders or the general public, significant material facts that are untrue, or omit information the disclosure of which is required by law concerning the economic, capital or financial situation of the company or group to which it belongs, in a way which can be expected to mislead with regard to the aforesaid situation, shall be punished with imprisonment by from one to five years.

The same punishment shall be applied even if the falsehoods and omissions concern assets owned or managed by the company on behalf of third parties".

Minor offences (art. 2621-bis of the Italian Civil Code)

"Unless a more serious offence has been committed, the punishment awarded will be imprisonment for from six months to three years if the criminal actions under article 2621 are of only minor significance, bearing in mind the size of the company and the type of conduct or its effects.

Unless a more serious offence has been committed, the punishment specified in the previous point shall be applied if the criminal actions under article 2621 refer to companies which do not exceed the thresholds set in article 1, paragraph 2 of Royal Decree no. 267 of 16 March 1942. In this case, the offence may be prosecuted in the event of a complaint by the company, the shareholders, the creditors and the other recipients of the company's reporting".

False reporting of listed companies (article 2622 of Civil Code)

"Any directors, general managers, managers in charge of financial reporting, statutory auditors or liquidators, of companies which issue financial instruments traded on a regulated market in Italy or another European Union state, who, in order to obtain undue profit for themselves or others, knowingly include in the company's financial statements, reports or other corporate reporting, addressed to shareholders or the general public, material facts that are untrue, or omit information the disclosure of which is required by law concerning the economic, capital or financial situation of the company or group to which it belongs, in a way which can be expected to mislead with regard to the aforesaid situation, shall be punishable by imprisonment by from three to eight years.

The following are assimilated to the companies specified in the previous paragraph:

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

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

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

4) *companies which raise capital among the public or otherwise manage such investments.*

The provisions in the preceding paragraphs also apply if the falsehoods or omissions concern assets owned or managed by the company on behalf of third parties.

Obstruction of inspection (art. 2625 of the Italian Civil Code)

"Directors who, by concealing documents or by other malpractice, prevent or in any way obstruct the control and inspection activities of other corporate bodies shall be punishable by a fine of up to €10,329.00.

If this conduct has caused harm to the shareholders, the punishment shall be imprisonment for up to one year, with prosecution in response to a complaint from the damaged party.

The punishment shall be doubled in the case of companies with securities listed on regulated markets in Italy or other European Union countries, or offered for public sale to a significant extent pursuant to art. 116 of the consolidated text contained in legislative decree no. 58 of 24 February 1998.

Unlawful repayment of capital contributions (Article 2626 of the Italian Civil Code)

"Any directors who return, or even simulate the return of, capital contributions to shareholders, or release them from the obligation to make their contributions, except in the event of legally permitted reductions in the company's share capital, shall be punishable by imprisonment for up to one year".

Illegal distribution of profits and reserves (art. 2627 of the Italian Civil Code)

"Unless a more serious offence has been committed, Directors who distribute profits or advances on profits not actually achieved, or which the law requires to be allocated to reserve funds, or who distribute reserves (of profits or of other kinds) that are non-distributable in the eyes of the law, shall be punishable by imprisonment for up to one year.

If the profits are repaid or the reserves restored before the deadline for approval of the financial statements, the offence is cancelled".

Illegal transactions involving shares or stocks in the company or the parent company (art. 2628 of the Italian Civil Code)

"Except in the cases permitted by law, directors who purchase or underwrite shares or stocks and thus cause a damaging reduction in the share capital or reserves that are non-distributable by law shall be punishable by imprisonment for up to one year.

Directors who, except in the cases permitted by law, purchase or underwrite shares or stocks issued by the parent company, and thus cause a damaging reduction in the share capital or reserves that are non-distributable by law, shall be subject to the same punishment.

If the share capital or reserves are restored before the deadline for approval of the financial statements for the financial year during which the offence was committed, it is cancelled."

Transactions prejudicial to creditors (art. 2629 of the Italian Civil Code)

"Directors who reduce the share capital or enter into mergers with other companies, or demergers, in breach of creditor protection legislation, that result in losses to creditors, shall be punishable, on receipt of a complaint from the injured party, by imprisonment for from six months to three years.

Compensation for the loss caused to the creditors before going to court cancels the offence".

Failure to declare conflict of interest (art. 2629 bis of the Italian Civil Code)

"Any director or member of the board of directors of a company the shares in which are listed on a regulated market in Italy or another European Union Member State, or held by members of the general public to a significant extent as defined by article 116 of the Consolidation Law contained in Legislative Decree no. 58 of 24 February 1998 and subsequent amendments, or a party subject to supervision pursuant to the consolidation law contained in Legislative decree no. 385 of 1 September 1993, the aforesaid consolidation

law contained in Legislative Decree no. 58 of 1998, Legislative Decree no. 209 of 7 September 2005 or Legislative Decree no. 124 of 21 April 1993, who defaults on his obligations as contained in art. 2391, paragraph 1, shall be punished by imprisonment for from one to three years, if the breach of the obligations has caused harm to the company or third parties".

Fraud in the formation of share capital (art. 2632 of the Italian Civil Code)

"Directors and contributing shareholders who even only partially fraudulently form or increase the company's share capital through the allocation of shares or holdings for sums lower than their nominal value, the reciprocal underwriting of shares or holdings, the significant overvaluation of assets conferred on the company in kind or receivables, or of the company's assets in the event of a corporate transformation, shall be punishable by imprisonment for up to one year",

Unlawful distribution of the company's assets by liquidators (art. 2633 of the Italian Civil Code)

"Liquidators who share company assets among shareholders prior to the payment of company creditors or allocation of the amounts necessary to pay them, thus harming the creditors, will be punishable by imprisonment for from six months to three years, on the complaint of the injured party.

Compensation for the loss caused to the creditors before going to court cancels the offence".

Private bribery (Article 2635 of the Italian Civil Code)[12]

"Unless a more serious offence is committed, any directors, general managers, managers in charge of financial reporting, and the statutory auditors and liquidators, of companies or private bodies, who demand or receive, for themselves or others, even through third intermediaries, money or other undue gains, or accept the promise of the same, in exchange for the performance or omission of an action in breach of the obligations inherent in their post or their obligations of loyalty, shall be punishable by imprisonment for from one to three years. The same punishment shall apply if the offence is committed by people who exercise management functions within the company or the private body other than those assigned to the parties referred to in the previous paragraph.

The punishment shall be a term of imprisonment for up to one year and six months if the offence is committed by a person subject to the direction or supervision of one of the parties referred to in the first paragraph.

Anyone who offers, promises or gives money or other unlawful gains to the persons referred to in the first and second paragraph, even through an intermediary, shall be liable to the punishments referred to in the said paragraphs.

The punishments established in the previous paragraphs shall be doubled in the case of companies with securities listed on regulated markets in Italy or other European Union countries, or held by the public to a significant extent pursuant to art. 116 of the Consolidated Law on financial intermediation contained in legislative decree no. 58 of 24 February 1998 and subsequent amendments.

[12]With reference to this offence, legal opinion considers a possible link to the offence covered by art. 623 of the Italian Criminal Code *"Disclosure of confidential scientific or trade secrets"*, recently amended by Leg. Dec. no. 63/2018.

Subject to the provisions of article 2641, the amount confiscated by equivalence may not be below the value of the gain given or promised."

Incitement to private bribery (art. 2635-bis of the Italian Civil Code)

"Anyone offering or promising money or other unlawful gains to the directors, general managers and managers in charge of financial reporting, the statutory auditors and liquidators, of companies or private bodies, or anyone employed by them in a managerial function, in order to persuade them to act or omit to act in breach of the duties relating to their office or in breach of the duty of loyalty, shall be punishable, if the offer or promise is not accepted, by the punishment established in the first paragraph of article 2635, reduced by one third.

The punishment as per the first paragraph shall apply to any directors, general managers and managers in charge of financial reporting, the statutory auditors and the liquidators, of companies or private bodies, or anyone employed them in a managerial function, who demand, for themselves or others, even through intermediaries, money or the promise of money or other unlawful gains, in exchange for the performance or omission of an action in breach of the obligations inherent in their post or their obligations of loyalty, if the demand is unsuccessful.

Illegal influence over the General Meeting (art. 2636 of the Italian Civil Code)

"Anyone who obtains a majority in a general meeting by simulated or fraudulent actions, in order to obtain undue profit for themselves or others, shall be punished by imprisonment for from six months to three years".

Market rigging (art. 2637 of the Italian Civil Code)

"Anyone who distributes false information, simulates transactions or engages in other deceitful acts actually capable of causing a significant alteration in the prices of unlisted financial instruments, or financial instruments for which no application for admission to trading on a regulated market has been submitted, or of significantly affecting public trust in the financial soundness of banks or banking groups, shall be punishable by imprisonment for from one to five years".

Obstruction of the duties of the public supervisory authorities (art. 2638 of the Italian Civil Code)

"Any directors, general managers, managers in charge of financial reporting, statutory auditors or liquidators of companies or organisations and other bodies subject by law to the public supervisory authorities, or under obligations to the same, who provide false information, or information still requiring verification, concerning the economic, capital or financial situation of the organisations subject to supervision in their legally required disclosures to the aforesaid authorities in order to obstruct the exercise of their supervisory functions, or who completely or partially conceal, by other fraudulent means, facts which should have been disclosed concerning the said situation, shall be punishable by imprisonment for from one to four years. The punishment shall still apply if the information relates to assets held or administered by the company on behalf of third parties.

Any directors, general managers, managers in charge of financial reporting, statutory auditors or liquidators of companies or organisations and other bodies subject by law to the public supervisory authorities, or under obligations to the same, who intentionally obstruct the functions of the latter in any form, also by omitting the compulsory disclosures to the aforesaid authorities, shall be liable to the same punishment.

The punishment shall be doubled in the case of companies with securities listed on regulated markets in Italy or other European Union countries, or offered for public sale to a significant extent pursuant to art. 116 of the consolidated text contained in legislative decree no. 58 of 24 February 1998.

False statements or the withholding of information for the issue of a preliminary certificate (art. 54 Leg. Dec. 19/2023)

"Anyone who prepares totally or partially false documents, falsifies genuine documents, makes false statements or omits information in order to give the impression that the conditions for issue of the preliminary certificate as per article 29 have been met is punishable with imprisonment for from six months to three years.

Anyone sentenced to imprisonment for eight months or more shall also receive the secondary punishment envisaged by article 32-bis of the Italian Criminal Code."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*ter* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• False corporate reporting (art. 2621 of the Italian Civil Code)	From 200 to 400 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Minor offences (art. 2621-*bis* of Italian Civil Code)	From 100 to 200 quotas	None
• False reporting of listed companies (article 2622 of Italian Civil Code)	From 400 to 600 quotas (art. 2622, paragraph 1 of Italian Civil Code) If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Obstruction of inspection (art. 2625 of the Italian Civil Code)	With regard to paragraph 2, a fine of the value of from 200 to 360 quotas is applied If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Unlawful repayment of capital contributions (Article 2626 of the Italian Civil Code)	From 200 to 360 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	None

Offence	Fines	Debarment
• Illegal distribution of profits and reserves (art. 2627 of the Italian Civil Code)	From 200 to 260 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Illegal transactions involving shares or stocks in the company or the parent company (art. 2628 of the Italian Civil Code)	From 200 to 360 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Transactions prejudicial to creditors (art. 2629 of the Italian Civil Code)	From 300 to 660 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Failure to state conflict of interest (art. 2629 *bis* of the Italian Civil Code)	From 400 to 1,000 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Fraud in the formation of share capital (art. 2632 of the Italian Civil Code)	From 200 to 360 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Unlawful distribution of the company's assets by liquidators (art. 2633 of the Italian Civil Code)	From 300 to 660 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Private bribery (Article 2635 of the Italian Civil Code)	From 400 to 600 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	All the debarment measures envisaged by article 9, paragraph 2, of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services;
• Incitement to private bribery (art. 2635-*bis* of the Italian Civil Code)	From 200 to 400 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	

Offence	Fines	Debarment
		• disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Illegal influence over the general meeting (art. 2636 of the Italian Civil Code)	From 300 to 660 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Market rigging (Article 2637 of the Italian Civil Code)	From 400 to 1,000 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	None
• Obstruction of the duties of the public supervisory authorities (art. 2638 of the Italian Civil Code)	From 400 to 800 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	None
• False statements or the withholding of information for the issue of a preliminary certificate (art. 54 of Leg. Dec. 19/2023)	From 150 to 300 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	None

Art. 25-quater - Crimes involving terrorism or the subversion of the democratic order)

Conspiracies to commit acts of terrorism, including international terrorism, and subversion of the democratic order (art. 270-bis of the Italian Criminal Code)

"Anyone who promotes, establishes, directs or finances conspiracies with the aim of committing acts of violence for the purpose of terrorism or the subversion of the democratic order shall be punishable by imprisonment for from seven to fifteen years.

All members of the conspiracy are punishable by imprisonment for from five to ten years.

For the purposes of criminal law, the definition of terrorism also includes acts of violence against a foreign state or an international institution or body.

The confiscation from the convicted party of the items which were used or intended for the commission of the crime, the items which constitute its price, proceeds or profit, and the items in which the latter were invested, is compulsory in all cases".

Assistance to conspirators (art. 270-ter of the Italian Criminal Code)

"With the exception of cases of complicity in the crime or aiding and abetting, anyone who gives refuge, hospitality, means of transport or means of communication to any of the persons who take part in terrorist or subversive conspiracies as defined in articles 270 and 270-bis shall be punishable by imprisonment for up to four years.

The punishment is increased if the assistance is provided on a continuous basis.

The crime is not punishable if it is committed in favour of next of kin".

Recruitment for acts of terrorism, including international terrorism (art. 270-quater of the Italian Criminal Code)

"Outside the cases covered by article 270-bis, anyone who recruits one or more people for the performance of acts of violence or sabotage of essential public services for the purposes of terrorism, also against a foreign state or an international institution or body, shall be punishable by imprisonment for from seven to fifteen years.

Except for the cases covered by article 270-bis, and except in the case of training, anyone recruited will receive a custodial sentence of from five to eight years".

Training for acts of terrorism, including international terrorism, (art. 270-quinquies of the Italian Criminal Code)

"Outside the cases covered by article 270-bis, anyone who trains or in any way provides instruction on the preparation or use of explosives, firearms or other weapons, or harmful or dangerous chemicals or bacteriological substances, or any other technique or method for the performance of acts of violence or sabotage of essential public services for the purposes of terrorism, also against a foreign state or an international institution or body, shall be punishable by imprisonment for from five to ten years. Anyone trained for these purposes, or anyone who, having acquired, including independently, instructions for committing the acts referred to in the first paragraph, undertakes actions certainly intended for the commission of the offences covered by article 270 sexties, shall be liable to the same punishment.

The punishments envisaged by this articles are increased when the offence is committed using IT or data transmission systems."

Financing of conduct intended to lead to acts of terrorism (art. 270-quinquies 1 of the Italian Criminal Code)

"Anyone who, outside the cases covered by articles 270-bis and 270-quater.1, collects, pays or makes available assets or money, obtained in any way, intended for use entirely or in part to finance conduct intended to leads of act of terrorism as per article 270-sexies, shall be punishable by imprisonment for from seven to fifteen years, regardless of whether the funds were actually used for the commission of the aforesaid

acts. Anyone depositing or conserving the assets or money referred to above shall be punished by imprisonment for from five to ten years."

Removal of frozen assets or money (art. 270-quinquies.2 of the Italian Criminal Code)

"Anyone who removes, destroys, disperses, eliminates or damages assets or money frozen to prevent the financing of acts of terrorism as per article 270 sexies, shall be punishable by from two to six years of imprisonment a fine of between €3,000.00 and €15,000.00".

Terrorism-related conduct (art. 270-sexies of the Italian Criminal Code)

"Behaviour which, by its nature or context, may cause serious damage to a country or international organisation, and which is carried out in order to intimidate the population or force the public authorities or an international organisation to perform or omit to perform any act of any kind, or in order to destabilise or destroy the political, constitutional, economic and social foundations of a country or international organisation, and all other behaviour defined as terrorist or committed for terrorist ends by conventions or other international laws binding for Italy, is classified as terrorism."

Terrorist or subversive attack (art. 280 of the Italian Criminal Code)

"Anyone who attacks another person with the aim of causing death or bodily harm for the purposes of terrorism or subversion of the democratic order is punishable under shall be punishable by imprisonment for at least twenty years in the former and for at least six years in the latter case.

If the attack results in grievous bodily harm, the period of imprisonment will be at least eighteen years; if it causes serious bodily harm, the sentence will be at least twelve years.

The periods of imprisonment shall be increased by one third if the acts referred to in the previous paragraphs are directed at members of the judiciary, the prison service or the security services during the exercise of or by reason of their duties.

If the acts as per the previous points cause the death of the person, in the case of intent to kill the sentence will be life imprisonment; in the case of intent to harm, it will be thirty years.

Attenuating circumstances, other than those envisaged by articles 98 and 114, concurrent with the aggravating circumstances referred to in the second and fourth paragraphs shall not be considered equivalent to or prevalent over them, and the reductions in sentence shall be applied to the length of sentence resulting from the increase applied due to the aforesaid aggravating factors".

Act of terrorism with lethal or explosive devices (art. 280-bis of the Italian Criminal Code)

"Unless a more serious offence has been committed, anyone who performs any action with the aim of damaging the real estate or movable property of others using explosives or any other kind of lethal devices for the purposes of terrorism is liable to imprisonment for from two to five years.

For the purposes of this article, by explosive devices or any other lethal device it is meant any weapons and materials considered similar to them provided for in article 585 and designed to cause serious material damage.

If the act is directed against the residence or offices of the President of the Republic, the Legislative Assemblies, the Constitutional Court, Government bodies or any bodies envisaged by the Constitution or constitutional laws, the punishment is increased by up to one half.

If the act generates danger to public safety or serious damage to the national economy, the punishment is imprisonment for from five to ten years.

Attenuating circumstances, other than those envisaged by articles 98 and 114, concurrent with the aggravating circumstances referred to in the third and fourth paragraphs shall not be considered equivalent to or prevalent over them, and the reductions in sentence shall be applied to the length of sentence resulting from the increase applied due to the aforesaid aggravating factors".

Nuclear terrorism (art. 280-ter of the Italian Criminal Code)

"A sentence of at least fifteen years' imprisonment will be awarded to anyone who, for the purposes of terrorism as defined in article 270 sexies:

1) obtains radioactive material for themselves or others;

2) creates or otherwise gains possession of a nuclear explosive device.

A sentence of at least twenty years' imprisonment will be awarded to anyone who, for the purposes of terrorism as defined in article 270 sexies:

1) uses radioactive material or a nuclear explosive device;

2) uses or damages a nuclear plant in such a way as to release or cause the actual danger of the release of radioactive material.

The punishments set forth in the first and second paragraphs shall also apply if the actions which they describe refer to chemical or bacteriological materials or weapons".

Kidnapping for the purposes of terrorism or subversion (art. 289-bis of the Italian Criminal Code)

"Anyone who kidnaps another person for the purposes of terrorism or subversion of the democratic order will be punished by imprisonment for from twenty-five to thirty years.

If the kidnap leads in any way to the death of the victim as the unintentional outcome of the crime, the offender is punished by thirty years' imprisonment.

If the offender causes the death of the victim, the punishment is life imprisonment.

Any accomplice who splits from the others and enables the victim to escape shall be punishable with from two to eight years of imprisonment; if the victim dies after release as a consequence of the kidnap, the punishment is imprisonment for from eight to eighteen years.

When there are attenuating circumstances, the punishment envisaged in the second paragraph is replaced by imprisonment for from twenty to twenty-four years; the punishment envisaged in the third paragraph is replaced by imprisonment for from twenty-four to thirty years. When there is more than one attenuating circumstance, the punishment applied after the reductions may not be less than ten years in the circumstances envisaged by the second point and fifteen years in those covered by the third paragraph."

Incitement to commit some of the crimes envisaged by the first and second sections (Art. 302 of the Italian Criminal Code)

"Anyone inciting another person to commit one of the criminal acts covered by the first and second sections of this title, the punishment for which is (the death penalty or) imprisonment, including life imprisonment, is punishable by imprisonment for from one to eight years if the incitement is unsuccessful or if the incitement is successful but the crime is not committed.

The punishement is increased by up to two thirds when the offence is committed using computers or the Internet.

However, the punishment shall always be less than half the punishment established for the crime to which the incitement refers".

Political conspiracy by agreement (art. 304 of the Italian Criminal Code)"

"If two or more people agree to commit one of the offences referred to in article 302, if the offence is not committed the parties to the agreement shall be punishable by a custodial sentence of from one to six years.

The punishment shall be higher for the proponents.

However, the punishment shall always be less than half the punishment established for the crime to which the agreement refers".

Political conspiracy by association (art. 304 of the Italian Criminal Code)

"When three or more people form an association for the purpose of committing one of the offences referred to in article 302, the people who promote, establish or organise the association shall be liable, for this fact alone, to imprisonment for from five to twelve years.

For the sole fact of membership of the association, the punishment is imprisonment for from two to eight years.

The leaders of the association are liable to the same punishment as the proponents.

The punishments are increased if the association is intended to commit two or more of the aforesaid offences."

Armed gang: formation and participation (art. 306 of the Italian Criminal Code)

"If an armed gang is formed in order to commit one of the crimes referred to by article 302, the persons who promote, establish or organise the gang are liable to a custodial sentence of from five to fifteen years for this fact alone.

For the sole fact of membership of the armed gang, the punishment is imprisonment for from three to nine years.

The leaders or supporters of the armed gang are liable to the same punishment as the proponents."

Formation of and participation in conspiracies or armed gangs (article 307 of the Italian Criminal Code)

"With the exception of cases of complicity in the offence or aiding and abetting, anyone who gives refuge, hospitality, means of transport or means of communication to any members of the association or gang referred to in the two previous articles is punishable by imprisonment for up to two years.

The punishment is increased if the assistance is provided on a continuous basis.

The offence is not punishable if it is committed in favour of next of kin.

For the intents and purposes of criminal law, next of kin are forebears and descendants, spouse, brothers, sisters, relatives by marriage in the same degree, aunts, uncles, nieces and nephews; however, the definition of next of kin does not include relatives by marriage if the spouse is deceased and there are no offspring".

Urgent measures for the protection of the democratic order and public security (art. 1 Decree Law no. 625 of 15/12/1979, converted with amendments into Law no. 15 of 06/02/1980)

"For offences committed for the purposes of terrorism or the subversion of the democratic order, for which punishments other than life imprisonment are envisaged, the sentence shall always be increased by half, unless circumstance is a constituent part of the offence.

[omissis]".

Art. 2 International Convention for the Suppression of the Financing of Terrorism New York 9 December 1999.

"Any person commits an offence within the meaning of this Convention if that person by any means, directly or indirectly, unlawfully and wilfully, provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out:

a) an act which constitutes an offence within the scope of and as defined in one of the treaties listed in the annex;

b) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organisation to do or to abstain from doing any act.

a) On depositing its instrument of ratification, acceptance, approval or accession, a State Party which is not a party to a treaty listed in the annex may declare that, in the application of this Convention to the State Party, the treaty shall be deemed not to be included in the annex referred to in paragraph 1, subparagraph (a). The declaration shall cease to have effect as soon as the treaty enters into force for the State Party, which shall notify the depositary of this fact.

b) When a State Party ceases to be a party to a treaty listed in the annex, it may make a declaration as provided for in this article, with respect to that treaty.

For an act to constitute an offence set forth in paragraph 1, it shall not be necessary that the funds were actually used to carry out an offence referred to in paragraph 1, subparagraphs (a) or (b).

Any person also commits an offence if that person attempts to commit an offence as set forth in paragraph 1 of this article.

Any person also commits an offence if that person:

a) participates as an accomplice in an offence as set forth in paragraph 1 or 4 of this article;

b) organises or directs others to commit an offence as set forth in paragraph 1 or 4 of this article;

c) contributes to the commission of one or more offences as set forth in paragraphs 1 or 4 of this article by a group of persons acting with a common purpose. Such contribution shall be intentional and shall either:

i) be made with the aim of furthering the criminal activity or criminal purpose of the group, where such activity or purpose involves the commission of an offence as set forth in paragraph 1 of this article;

ii) be made in the knowledge of the intention of the group to commit an offence as set forth in paragraph 1 of this article."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*quarter* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Offences involving terrorism or the subversion of the democratic order punishable with a sentence of less than 10 years	From 200 to 700 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.
• Offences involving terrorism or the subversion of the democratic order punishable with a sentence of more than 10 years	From 400 to 1000 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions

Offence	Fines	Debarment
		which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16 of the Decree shall be applied.

Art. 25-quater.1 - Female genital mutilation practices

Female genital mutilation practices (art. 583-bis of the Italian Criminal Code)

"Anyone who causes mutilation of the female genital organs except for the provision of medical treatment is punishable by imprisonment for a period of between four and twelve years. For the purposes of this article, female genital mutilation is defined as clitoridectomy, excision and infibulation and any other practice with similar effects.

Anyone who, except for the provision of medical treatment, causes damage to the female genital organs other than that described in the first section, with the aim of impairing sexual functions, which leads to physical or mental illness, is punishable by imprisonment for a period of between three to seven years. The punishment shall be reduced by up to two thirds if the damage is slight.

The punishment shall be increased by one third if the practices described in the first and second sections are performed on a juvenile or for financial gain.

Conviction or plea bargaining pursuant to article 444 of the Criminal Procedural Code for the offence covered by this article shall lead, if the offence is committed by a parent or guardian, respectively, to:
1) loss of the right to exercise parental responsibility;

2) permanent disqualification from any role regarding guardianship, trusteeship and protective administration.

The provisions of this article also apply if the offence is committed abroad by an Italian national or a foreigner resident in Italy, or if the victim is an Italian national or a foreigner resident in Italy. In this case, the offender shall be punished on the request of the Ministry of Justice.

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*quarter.1* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Female genital mutilation practices	From 300 to 700 quotas.	For a period of not less than one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.

Art. 25-quinquies – Crimes against the individual

Reducing individuals to or holding them in slavery or servitude (art. 600 of the Italian Criminal Code)

"Anyone who exercises powers over an individual that correspond to those of ownership rights or anyone who reduces an individual to or holds them in a state of continual subjection, forcing them to work, provide sexual favours, beg or engage in illegal activities that involve their exploitation, is punishable by imprisonment for a period of between eight and twenty years.

An individual is reduced to or maintained in a state of subjection when they are forced to undertake specific actions through the use of violence, threats, deception or abuse of authority, or the exploitation of a situation of physical or mental inferiority, or through the promise of money or other advantages given by the individual in the position of authority over the person concerned"

Child prostitution (art. 600-bis of the Italian Criminal Code)

"Punishment comprising imprisonment for a period of between six and twelve years and a fine of between €15,000.00 and €150,000.00 will be enforced on anyone who:

1) *recruits or induces a person of less than eighteen years of age to engage in prostitution;*

2) *aids and abets, exploits, manages, organises or controls the prostitution of a person of less than eighteen years of age, or otherwise profits from it.*

Unless a more serious offence has been committed, anyone who has sexual relations with a minor between fourteen and eighteen years of age in exchange for even just the promise of money or other economic benefits is punishable by imprisonment for a period of between one and six years and a fine of from €1,500.00 to €6,000.00."

Child pornography (art. 600-ter of the Italian Criminal Code)

"Punishment comprising imprisonment for a period of between six and twelve years and a fine of between €24,000.00 and €240,000.00 will be enforced on anyone who:

1) *creates pornographic shows or performances or produces pornographic material using people less than eighteen years of age;*

2) *recruits or induces persons less than eighteen years of age to participate in pornographic shows or performances, or otherwise profits from any such performances.*

Anyone trading in the pornographic material referred to in the first paragraph is liable to the same punishments.

Apart from the circumstances referred to in sections one and two, anyone who distributes, discloses, circulates or publishes the pornographic material referred to in section one, or distributes or discloses news or information aimed at the sexual enticement or exploitation of children under eighteen years of age, by any means, including by computer, is punishable by imprisonment for from one to five years and a fine of between €2,582.00 and €51,645.00.

Apart from the circumstances referred to in sections one, two and three, anyone who offers or gives the pornographic material referred to the first paragraph of the eighteen years to third parties, even free of charge, is punishable by imprisonment for a period of up to three years and a fine of between €1,549.00 and €5,164.00.

In the circumstances covered by paragraphs three and four, the punishment shall be increased by a proportion of not more than two thirds if the amount of material involved is very large.

Unless a more serious offence has been committed, anyone who attends pornographic shows or performances involving juveniles less than eighteen years of age is punishable by imprisonment for up to three years and a fine of from €1,500.00 to €6,000.00.

For the purposes of this article, child pornography means any representation, by any means, of a child under the age of eighteen involved in explicit, real or simulated sexual activities, or any representation of the sexual organs of a child under the age of eighteen for sexual purposes".

Possession of or access to pornographic material (art. 600 (4) of the Italian Criminal Code)

"Apart from the circumstances covered by article 600 (3), anyone who knowingly obtains or possesses pornographic material produced using children under eighteen years orfage is liable to imprisonment for a period of up to three years and a fine of at least €1,549.00.

The punishment shall be increased by not more than two thirds if the amount of material involved is very large".

Apart from the circumstances covered by the first paragraph, anyone who uses the Internet or other communication media or networks to intentionally access, without just grounds, pornographic material produced using children under eight years of age is liable to imprisonment for up to two years and a fine of at least €1,000.00".

Virtual pornography (art. 600-quater.1 of the Italian Criminal Code)

"The provisions of articles 600-ter and 600-quater shall also apply if the pornographic material features virtual images created using images of children under eighteen years of age or parts of the same, but the punishment is reduced by one third.

Virtual images are defined as images created using graphic processing techniques not associated or only partly associated with real situations, the quality of which makes unreal situations appear to be real".

Tourism for the purposes of the exploitation of child prostitution (art. 600-quinquies of the Italian Civil Code)

"Anyone who organises or advertises travel for the purposes of the exploitation of child prostitution, or which in any way includes this activity, is punishable by imprisonment for between six and twelve years and a fine of from €15,493.00 to €154,937.00".

Human trafficking (art. 601 of the Italian Criminal Code)

"Anyone who recruits, brings into the country, transfers, including outside the country, transports, transfer authority over or provides accommodation to one or more people who are in the conditions described in article 600 or acts in the same way in relation to one or more people, by trickery, violence, threats, abuse of authority, or through the exploitation of a situation of vulnerability, physical or mental inferiority or need, or through the promise of money or other advantages to the person who has authority over them, in order to induce or force them to work, to provide sexual favours or to beg, to engage in any illegal activities which involve their exploitation, or to undergo the removal of their organs, shall be punishable by imprisonment for from eight to twenty years.

Anyone acting in the ways envisaged in the first paragraph in relation to a juvenile, even by means other that those stated, shall be liable to the same punishment.

The punishment for a master or officer of an Italian or foreign ship who commits or is complicit in any of the offences envisaged by the first or second paragraph is increased by up to one third.

Even if none of the offences envisaged by the first or second paragraph, and no slave trade offence, has been committed, a member of the crew of an Italian or foreign ship employed, before departure or en route, for use for people smuggling, is punishable by imprisonment for from three to ten years".

Purchase and sale of slaves (art. 602 of the Italian Criminal Code)

"Anyone who, apart from the circumstances indicated in article 601, purchases, sells or disposes of an individual who is in one of the conditions described in article 600, is punishable by imprisonment for from eight to twenty years.

Illegal intermediation and exploitation of labour (art. 603-bis of the Italian Penal Code).

"Unless a more serious crime has been committed, punishment comprising imprisonment for from one to six years and a fine from €500.00 to €1,000.00 for each worker recruited will be enforced on anyone who:

1) recruits labour to be assigned to work on the premises of third parties in conditions of exploitation, by taking advantage of the workers' need to work;

2) uses, hires or employs labour, including through the intermediaries referred to in point 1), with the workers subjected to conditions of exploitation, taking advantage of their need to work.

If these actions are committed using violence or threats, the punishment shall be imprisonment for from five to eight years and a fine of from €1,000.00 to €2,000.00 for each worker recruited.

For the purposes of this article, one or more of the following conditions indicates exploitation:

1) the repeated payment of rates of pay blatantly below those of the national or local collective employment contracts agreed by the most representative national trades unions, or in any case out of proportion to the quantity and quality of the work done;

2) the repeated breach of regulations concerning working hours, rest periods, weekly days off, compulsory leave and holidays;

3) breach of occupational health and safety regulations;

4) subjecting workers to degrading working conditions, surveillance methods or accommodation.

The following constitute specific aggravating circumstances and lead to an increase in the punishment by from a third to a half:

1) the fact that more than three workers are recruited;

2) the fact that one or more of those recruited are juveniles below working age;

3) the fact that the exploited workers were exposed to serious danger, with regard to the characteristics of the work to be done and the working conditions".

Soliciting of juveniles (609-undecies of Italian Criminal Code)

"Unless a more serious offence is committed, anyone who, for the purposes of committing the offences covered by articles 600, 600-bis, 600-ter and 600-quater, also in relation to pornography as per articles 600-quater.1, 609-quinquies, 609-bis, 600-quater 609-quinquies and 609-octies, solicits a juvenile less

than sixteen years of age, shall be punishable by imprisonment for from one to three years. Soliciting covers any act intended to win the trust of the juvenile through tricks, enticements or threats, also using the Internet or other networks or communication media.
The punishment is increased:
1) if the offence is committed by a group of two or more people in the same place;
2) if the offence is committed by a person who belongs to a criminal association in order to further its operations;
3) if the offence causes serious harm to the child due to repetition of the damaging conduct;

4) if the offence puts the child's life in danger".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*quinquies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Reducing individuals to or maintaining them in slavery or servitude (art. 600 of Italian Criminal Code) • Human trafficking (art. 601 of Italian Criminal Code) • Purchase and sale of slaves (art. 602 of Italian Criminal Code) • Labour trafficking and exploitation (art. 603-bis of the Italian Criminal Code).	From 400 to 1000 quotas	• For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of the crimes referred to in paragraph 1, permanent debarment from business as per article 16, paragraph 3 of the Decree shall be applied.

Offence	Fines	Debarment
• Child prostitution (art. 600-bis, paragraph 1, of the Italian Criminal Code); • Child pornography (art. 600-ter, paragraphs 1 and 2, of the Italian Criminal Code), also relating to pornography as per art. 600-*quater*.1 and 600-*quinquies* of the Italian Criminal Code.	From 300 to 800 quotas	If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of the crimes referred to in paragraph 1, permanent debarment from business as per article 16, paragraph 3 of the Decree shall be applied.
• Child prostitution (art. 600-*bis*, paragraph 2, of the Italian Criminal Code); • Child pornography (art. 600-*ter*, paragraphs 3 and 4, of the Italian Criminal Code) • Possession of or access to pornographic material (Article 600-quater of the Italian Criminal Code) even if related to pornographic material as referred to in Article 600-quater.1 • Soliciting of juveniles (609-*undecies* of the Italian Criminal Code)	From 200 to 700 quotas	If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of the crimes referred to in paragraph 1, permanent debarment from business as per article 16, paragraph 3 of the Decree shall be applied.

Art. 25-sexies - Market abuse

Insider trading and unlawful disclosure of inside information. Recommending or inducing others to commit insider trading (art. 184, Consolidated Law on Finance)

"Punishment of imprisonment of from two to twelve years and a fine of from twenty thousand euros to three million euros will be enforced against anyone who, having access to inside information by reason of their status as a member of the board of directors, management or controlling body of the issuer, or a shareholder in the issuer, or through their public or private working, professional or functional role or status:

a) buys, sells or carries out any other transactions, either directly or indirectly, on their own behalf or on behalf of third parties, on financial instruments with the aid of the inside information;

b) discloses the aforesaid information to others, outside the normal course of work, profession, function or office or a market survey conducted in accordance with article 11 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014;

c) recommends or persuades others to carry out any of the transactions described in point a) on the basis of the said information.

The punishment defined in paragraph 1 shall also apply to anyone who finds themselves in possession of inside information as a result of the preparation or performance of criminal acts and carries out any of the actions referred to in paragraph 1.

Except in cases of complicity in the offences covered by paragraphs 1 and 2, anyone who, in possession of inside information for reasons other than those stated in paragraphs 1 and 2 and aware of its status as inside information, commits any of the offences referred to in paragraph 1, shall be punishable by imprisonment for from one year and six months to ten years and with a fine of from twenty thousand to two million five hundred thousand euros.

In the circumstances covered by paragraphs 1, 2 and 3, the fine may be increased up to three times or to up to ten times the proceeds or profit generated by the offence (whichever is greater) if, due to the scope of the crime, the individual characteristics of the accused or the size of the proceeds or profit generated by the crime, even the maximum normal fine is considered inadequate.

The provisions of this article shall also apply if the offences covered by paragraphs 1, 2 and 3 involve conduct or transactions, including offers, relating to auctions on an authorized auction platform such as a regulated market for emission allowances or for other related auctioned products, even when the auctioned products are not financial instruments, pursuant to Regulation (EU) no. 1031/2010 of the Commission, dated 12 November 2010."

Market manipulation (art. 185 of the Consolidated Law on Finance)

"Anyone who circulates false information or carries out fake transactions or other subterfuges intended to cause a significant variation in the price of financial instruments shall be punished by from two to twelve years' imprisonment and a fine of from twenty thousand to five million euros.

1-bis. Any such action performed under orders for sale or purchase or transactions undertaken for legitimate reasons and in accordance with permitted market practices, pursuant to article 13 of Regulation (EU) no. 596/2014, does not constitute a criminal offence.

2. The court may increase the fine by up to three times or to up to ten times the proceeds or profit generated by the offence (whichever is greater) if, due to the scope of the crime, the individual characteristics of the accused or the size of the proceeds or profit generated by the crime, even the maximum normal fine is considered inadequate".

Responsibility of the organisation (Art. 187-quinquies)

The organisation is punishable by an administrative fine of from twenty thousand to fifteen million euros, or up to fifteen percent of turnover, if this amount is more than fifteen million euros (with turnover determined in accordance with article 195, paragraph 1-bis), if a violation of the prohibition contained in article 14, or the prohibition contained in article 15 of Regulation (EU) no. 596/2014, has been performed in its interest: (2) a) by persons with the status of representatives, directors or managers of the organisation or one of its financially and functionally independent organisational units, and persons exercising even the de facto management and control of the aforesaid; b) by persons under the direction or supervision of one of the parties referred to in point a). 2. If the organisation receives a large profit or proceeds from the commission of the offences referred to in paragraph 1, the fine is increased up to ten times the value of the proceeds or profit. 3. The organisation is not responsible if it proves that the persons referred to in paragraph 1 acted solely in their own interest or that of third parties. 4. With regard to the offences referred to in paragraph 1,

the provisions of articles 6, 7, 8 and 12 of Legislative Decree no. 231 of 8 June 2001 shall apply to extent that they are compatible. After consulting CONSOB, the Ministry of Justice submits the observations envisaged by article 6 of Legislative Decree no. 231 of 8 June 2001 with regard to the offences covered by this section.

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*sexies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Criminal offence	Fines	Debarment
• Insider trading and unlawful disclosure of inside information. Recommending or inducing others to commit insider trading (art. 184, Consolidated Law on Finance)	From 400 to 1000 quotas. If the organisation receives large profit or proceeds, the fine shall be increased up to 10 times the value of the profit or proceeds.	None
• Market manipulation (art. 185 Consolidated Law on Finance)	From 400 to 1000 quotas. If the organisation receives large profit or proceeds, the fine shall be increased up to 10 times the value of the profit or proceeds.	None
• Responsibility of the organisation (Art. 187-quinquies)	Administrative fine of from twenty thousand to fifteen million euros, or up to fifteen percent of turnover, if this amount is more than fifteen million euros (with turnover determined in accordance with article 195, paragraph 1-bis)	None

Art. 25-septies - Manslaughter or serious or grievous bodily harm through breach of occupational health and safety legislation

Manslaughter (art. 589 of the Italian Criminal Code)

"Anyone causing the death of another person through gross negligence shall be punishable by imprisonment for from six months to five years.

If the offence is committed through breach of the occupational health and safety legislation, the punishment is imprisonment for from two to seven years.

If the offence is committed in the illegal exercise of a profession for which a special State licence is required, or a health profession, the punishment shall be a term of imprisonment from three to ten years.

In the case of death of more than one person, or death of one or more people and injury of one or more people, the punishment applicable for the most serious offence committed is enforced, increased up to three times, although the period of imprisonment shall not exceed fifteen years."

Involuntary grievous bodily harm (art. 590 of the Italian Criminal Code)

"Anyone causing personal injury to others through gross negligence is liable to imprisonment for up to six months or a fine of up to €309.00.

If the injury is serious, the punishment is imprisonment for from one to six months or a fine of from €123.00 to €619.00; if it is grievous, imprisonment for from three months to two years or a fine of from €309.00 to €1,239.00.

If the offences as per the second paragraph are committed through breach of occupational health and safety legislation, the punishment for serious bodily harm is punishment for from three months to one year or a fine of €500.00 to €2,000.00 and for grievous bodily harm is imprisonment for from one to three years.

If the offences referred to in the second paragraph are committed in the illegal exercise of a profession for which a special State licence is required, or a health profession, the punishment for serious bodily harm is a custodial sentence of from six months to two years and for grievous bodily harm is from one year and six months to four years. In case of injuries to more than one person, the penalty to be imposed for the most serious of the violations committed, increased up to three times, shall be applied; but imprisonment cannot exceed five years.

The offence shall be prosecuted further to complaint by the injured party, except in the case covered by the first and second paragraphs, only with regard to offences committed with breach of occupational health or safety legislation, or those which have caused an occupational illness".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*septies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Manslaughter (art. 589 of the Italian Criminal Code)	1000 quotas (if the offence is committed in breach of art. 55, paragraph 2 of Legislative Decree implementing Law No. 123/2007)	For a period of not less than three months and not more than one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree.
• Manslaughter (art. 589 of the Italian Criminal Code)	From 250 to 500 quotas	For a period of not less than three months and not more than one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree.

• Serious or grievous bodily harm (art. 590, paragraph 3 of the Italian Criminal Code)	Up to 250 quotas	For a period not exceeding six months, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree.

Art. 25-octies - Receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering

Receiving Stolen Goods (art. 648 of the Italian Criminal Code)

"1. Except in cases of complicity in the crime, anyone acquiring, receiving or concealing money or goods from any type of offence, or is involved in the acquisition, receipt or concealment of the same, in order to obtain gain for themselves or others, is punishable by imprisonment for from two to eight years and a fine from €516.00 to €10,329.00. The punishment is increased if the offence relates to money or property deriving from aggravated robbery pursuant to art. 628, paragraph 3, aggravated extortion pursuant to art. 629, paragraph 2, or aggravated theft pursuant to art. 625, paragraph 1, subsection 7-bis).

2. The punishment is imprisonment for from one to four years and a fine of from €300.00 to €6,000.00 if the offence relates to money or property obtained through minor offences punishable by imprisonment for a maximum time of over one year and a minimum of over six months.

3. The punishment is increased when the offence is committed as part of professional duties.

4. If the offence is particularly slight, the punishment is reduced to imprisonment for a period of up to six years and a fine of up to €1,000.00 in case of money or property obtained through serious offences, and imprisonment for up to three years and a fine of up to €800.00 in case of money or property obtained through minor offences.

5. The provisions of this article are applied even if the person who committed the offence from which the money or property originated cannot be charged, or if there are procedural reasons preventing the prosecution of this crime".

Money Laundering (art. 648-bis of the Italian Criminal Code)

"1. Except in the case of complicity in the crime, anyone who substitutes or transfers money, property or other proceeds of a criminal offence, or who carries out other operations in relation to these items in such a way as to conceal their criminal origins, shall be punishable by imprisonment for from four to twelve years and a fine of from €5,000.00 to €25,000.00.
2. The punishment is imprisonment for from two to six years and a fine of from €2,500.00 to €12,500.00 if the offence relates to money or property obtained through minor offences punishable by imprisonment for a maximum time of over one year and a minimum of over six months.
3. The punishment is increased when the offence is committed as part of professional duties.
4. The punishment is reduced if the money, property or other proceeds originate from crime punishable by less than five years' imprisonment.

5. The final paragraph of art. 648 of the Italian Criminal Code applies."

Use of money, goods or profits from illegal activities (Article 648-ter of the Italian Criminal Code)

"1. "Except in cases of complicity in the crime and the cases covered by articles 648 and 648-bis, anyone who uses money, property or other proceeds of a criminal offence in business or financial transactions, is punishable by imprisonment for from four to twelve years and a fine of from €5,000.00 to €25,000.00.

2. The punishment is imprisonment for from two to six years and a fine of from €2,500.00 to €12,500.00 if the offence relates to money or property obtained through minor offences punishable by imprisonment for a maximum time of over one year and a minimum of over six months.

3. The punishment is increased when the offence is committed as part of professional duties.

4. The punishment is decreased in the circumstances covered by article 648, paragraph 4.

5. The final paragraph of art. 648 of the Italian Criminal Code applies."

Self-laundering (art. 648-ter.1 of the Italian Criminal Code)

"1. Anyone who, having committed or been an accomplice to the commission of a criminal offence, uses, substitutes or transfers money, property or other proceeds of the crime, in economic, financial, entrepreneurial or speculative activities, in such a way as to conceal their criminal origins, is punishable by imprisonment for from two to eight years and a fine of from €5,000.00 to €25,000.00.

2. The punishment is imprisonment for from one to four years and a fine of from €2,500.00 to €12,500.00 if the offence relates to money or property obtained through minor offences punishable by imprisonment for a maximum time of over one year and a minimum of over six months.

3. The punishment is reduced if the money, property or other proceeds originate from crime punishable by less than five years' imprisonment.

4. In any case, the punishements provided for in the first paragraph shall apply if the money, goods or other benefits originate from an offence committed under the conditions or for the purposes referred to in Article 416-bis.1.

5. Except for the cases covered in the previous paragraphs, no punishment shall apply if the money, property or other proceeds are destined only for personal use or enjoyment.

6. The punishment is increased when the offence is committed as part of banking or financial business or other professional duties.

7. The punishment is decreased by up to one half for those who have made active efforts to ensure that their conduct has no further consequences or to provide evidence of the offence and ensure identification of the property, money and other proceeds deriving from the crime.

8. The final paragraph of art. 648 of the Italian Criminal Code applies."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*octies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Receiving Stolen Goods (art. 648 of the Italian Criminal Code) • Money Laundering (art. 648-bis of the Italian Criminal Code) • Use of money, goods or profits from illegal activities (art. 648-ter of the Italian Criminal Code) • Self-laundering (art. 648-*ter*.1 the Italian Criminal Code).	From 200 to 800 quotas	For a period not exceeding two years, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• In the event that the money, property or other proceeds originate from crime punishable by more than five years' imprisonment.	From 400 to 1000 quotas	For a period not exceeding two years, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the public administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 25-octies.1 – Crimes relating to non-cash means of payment and fraudulent transfer of values

Unauthorised use and forgery of non-cash means of payment (Art. 493-ter of the Italian Criminal Code)

"Anyone who, for the purpose of gain for themselves or others, makes unauthorised use of credit or debit cards, or any other similar document which enables the withdrawal of cash or the purchase of goods or services, or any other means of payment other than cash, of which they are not the holder, is punishable by imprisonment for one to five years and a fine of from €310.00 to €1,550.00. Anyone who, for the purpose of gain for themselves or others, forges or falsifies the means of payment or documents as per the previous point, or who holds, sells or acquires the said illegally produced or forged or falsified means of payment or documents, or payment orders generated with the same, is liable to the same penalties.

In the event of a conviction or plea bargaining as per article 444 of the Criminal Procedural Code for the offence as per the first paragraph, the items used or intended for the commission of the offence, and the profit or proceeds it generated, are confiscated, unless they belong to people not involved in the offence, or if this is not possible, property, money or other goods at the disposal of the offender are confiscated up to the value equal to that of the said profit or proceeds.

The judicial authorities assign the items seized by the judicial police for the purposes of the confiscation as per the second paragraph to the police authorities which request them".

Possession and distribution of IT equipment, devices or programs for the purposes of the commission of offences relating to non-cash means of payment (Art. 493-quater of Italian Criminal Code)

"Unless a more serious offence has been committed, anyone who produces, imports, exports, sells, transports, distributes, makes available or in any way procures, for themself or others, for the purpose of using or enabling others to use them to commit offences relating to no-cash means of payment, IT equipment, devices or programs which, in view of their technical and construction or design characteristics, are mainly built for the commission of the said offences, or have been specifically adapted for the said purpose, is punishable by imprisonment for up to two years and a fine of up to €1000.00.

In the event of a conviction or plea bargaining as per article 444 of the Criminal Procedural Code for the offence as per the first point, the aforesaid IT equipment, devices or programs, and the profit or proceeds generated by the offence, are always confiscated, or if this is not possible, property, money or other goods at the disposal of the offender are confiscated up to the value equal to that of the said profit or proceeds."

Computer fraud (art. 640-ter of the Italian Criminal Code)

"Anyone who obtains unlawful gains for themselves or others at the expense of other people, by in any way interfering with the operation of an IT or data transmission system, or through any unauthorised operation on the data, information or programs contained in or relating to an IT or data transmission system, shall be punished by imprisonment for from six months to three years and a fine from €51.00 to €1,032.00.

Fraudulent transfer of values (art. 512-bis of the Italian Criminal Code)

"Unless a more serious offence has been committed, anyone who falsely assigns ownership or the power to dispose of cash, assets or other benefits in order to evade the law with regard to the prevention of capital crimes or contraband, or to facilitate the commission of one of the crimes referred to in articles 648, 648 bis and 648 ter, is punishable by imprisonment for from two to six years".

The same sentence specified in the first paragraph is imposed on any person who in order to circumvent antimafia documentation regulations assigns to other parties false title deeds for businesses, holdings in businesses or shares or company positions, if the entrepreneur or company bids for tender or franchise contracts or performs tender contracts or concessions".

Offence	Fines	Debarment
• Unauthorised use and forgery of non-cash means of payment (Art. 493-ter of the Italian Penal Code)	From 300 to 800 quotas	The debarment measures provided for in Article 9, paragraph 2 of Legislative Decree 231/01 apply: *a)* debarment from business; *b)* suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; *c)* ban on negotiating with the public administration except in order to obtain public services; *d)* disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; *e)* ban on advertising goods or services.
• Possession and distribution of IT equipment, devices or programs for the purposes of the commission of offences relating to non-cash means of payment (Art. 493-*quater* of Italian Criminal Code) • Computer fraud (art. 640-ter of the Italian Criminal Code)	Up to 500 quotas	The debarment measures provided for in Article 9, paragraph 2 of Legislative Decree 231/01 apply: *a)* debarment from business; *b)* suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; *c)* ban on negotiating with the public administration except in order to obtain public services; *d)* disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; *e)* ban on advertising goods or services.

Offence	Fines	Debarment
• Unless the offence constitutes another administrative offence subject to heavier punishment, with regard to the commission of any other crime against public trust or property, or any offence against property envisaged by the Italian Criminal Code, if the offence relates to non-cash means of payment	If the offence is punishable by imprisonment for less than ten years, the fine amounts to the value of up to 500 quotas; If the offence is punishable by imprisonment for at least ten years, the fine amounts to the value of from 300 to 800 quotas;	The organisation is subject to the debarment measures contained in article 9, paragraph 2 of the Decree: *a)* debarment from business; *b)* suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; *c)* ban on negotiating with the public administration except in order to obtain public services; *d)* disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; *e)* ban on advertising goods or services
• Fraudulent transfer of values (art. 512-*bis* of the Italian Criminal Code)	From 250 to 600 quotas	The organisation is subject to the debarment measures contained in article 9, paragraph 2 of the Decree: a) debarment from business; b) suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; c) ban on negotiating with the public administration except in order to obtain public services; d) disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; e) ban on advertising goods or services

If any of the circumstances defined in article 640 paragraph 2, subsection 1) applies, i.e. if the offence leads to a transfer of cash, monetary value or virtual currency, or is committed through abuse of the status of system operator, the punishment is imprisonment for from one to five years with a fine from €309.00 to €1,549.00.

The punishment is imprisonment for from two to six years and a fine of from €600.00 to €3,000.00 if the offence involved theft or unauthorised use of the digital identities of one or more parties.

The offence is punishable further to a complaint from the injured party, unless any of the circumstances referred to in the second and third paragraphs or the circumstance covered by article 61, first paragraph, point 5 (limited only to taking advantage of a person's circumstances, also with regard to age), applies."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*octies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Art. 25-novies - Offences relating to copyright infringement

Protection of copyright and other rights related to the exercise of the same (art. 171, Law no. 633 of 22 April 1941)

"Subject to the provisions of article 171-bis and article 171-ter, a fine of from €51.00 to €2,065.00 shall be imposed on anyone who, without holding the necessary rights, for any purpose and in any form:

a) *reproduces, transcribes, publicly performs, distributes, sells, offers for sale or otherwise places on the market a work of others, reveals its contents before they have been made public, or imports copies produced abroad into the country and puts them into circulation in breach of Italian law;*

a-bis) makes a protected creative work, or part of the same, available to the public by putting the said work on a computer network by means of a connection of any kind;

b) *gives public performances or showings of a work intended for public performance, or a musical composition, written by others, or broadcasts it, with or without modifications or additions. Public performances or showings include the public showing of films, the public performance of musical compositions included in firms, and radio broadcasting by means of loudspeakers in public places;*

c) *performs one of the actions envisaged in the previous points by means of one of the forms of interpretation envisaged by this law;*

d) *reproduces a number of copies or shows or performs a number of performances or showings in excess of those which they held the right to produce or show, respectively;*

e) *in breach of article 79, rebroadcasts by wire or radio, or records radio broadcasts or rebroadcasts on phonographic discs or other similar devices, or sells illegally recorded phonographic discs or other devices.*

Anyone who commits the violation covered by paragraph 1, subsection a-bis) is permitted to pay a sum corresponding to half the maximum fine established by paragraph 1 for the offence committed, in addition to legal costs, before the hearing of the case, or before issue of the sentence. The payment shall cancel the offence.

The punishment is imprisonment for up to one year or a fine of at least €516.00 if the above offences are committed on the work of others not intended for publication, through plagiarism, or through deformation, mutilation or other modifications of the work, if this renders it detrimental to the author's honour or reputation".

Protection of copyright and other rights related to the exercise of the same (art. 171-bis, Law no. 633 of 22 April 1941)

"Anyone who illegally copies computer programmes for the purpose of personal gain, or, for the same reasons, imports, distributes, sells, keeps for commercial or business purposes or rents programmes contained on media that are not marked under current law is punishable by from six months to three years of imprisonment and a fine of from €2,582.00 to €15,493.00. The same punishment is applied if the offence concerns any medium used solely for the purposes of allowing or facilitating the illegal removal or functional disabling devices applied to protect a computer programme. The punishment is at least two years' imprisonment and the fine is at least €15,493.00 if the offence is considered serious.

2. Anyone who, for the purposes of personal gain, copies the contents of a database onto media not marked under current law, transfers them onto other media, or discloses, communicates or publicly presents or shows the same in breach of articles 64-quinquies and 64-sexies, downloads or reuses the database in violation of the provisions of articles 102-bis and 102-ter or distributes, sells or leases a database, shall be liable to from six months to three years of imprisonment and a fine of from €2,582.00 to €15,493.00. The punishment is at least two years' imprisonment and the fine is at least €15,493.00 if the offence is considered serious".

Protection of copyright and other rights related to the exercise of the same (art. 171-ter, Law no. 633 of 22 April 1941);

If the offence is not committed for personal use only, the penalty of imprisonment for a period of between six months and three years and a fine of between €2,582.00 and €15,493.00 is enforced in relation to anyone who, for the purposes of financial gain:

a) *illegally duplicates, copies, broadcasts or publicly distributes, by any procedure, in whole or in part, a creative work destined for television, cinema, sale or rent, discs, tapes or similar media or any other type of media containing sound or video recordings of music, films or similar audiovisual works, or sequences of moving images;*

b) *illegally copies, broadcasts or publicly distributes, by any procedure, the whole or parts of literary, theatrical, scientific or educational, musical or operatic works, or multimedia works, even if they are included in collective or composite works or databases;*

c) *even though not involved in the duplication or reproduction, imports, keeps for sale or distribution, or distributes, offers for sale, rents or in any way transfers to any other person, publicly shows, broadcasts on television by any procedure, broadcasts on the radio, or publicly plays, the illegal copies or duplicates referred to in points a) and b);*

d) *keeps for sale or distribution, offers for sale, sells, rents, transfers to anyone else in any form, publicly shows, broadcasts by radio or television by any procedure, videocassettes, music cassettes or any other medium containing sound or video recordings of musicals, films or audiovisual works or sequences of moving images or other media required to carry the mark under current law, without this mark or with a forged or defaced mark;*

e) *without the agreement of the legitimate distributor, rebroadcasts or circulates, by any medium, an encrypted programme received by means of equipment or parts of equipment for decoding protected transmissions;*

f) *imports, keeps for sale or distribution, distributes, sells, rents, transfers to anyone else in any form, markets or installs special decoding equipment that provides access to an encrypted service without the payment of the relative charge.*

f bis) makes, imports, distributes, sells, rents, transfers to anyone else in any way, publishes for sale or rent or keeps for commercial purposes equipment, products or components or offers services the main commercial aim or purpose of which is to evade effective technological measures pursuant to article 102-quater or which are mainly designed, produced, adapted or made in order to allow or facilitate the evasion

of the aforementioned measures. The technological measures include those applied, or that remain, following the removal of the measures themselves through the voluntary intent of the owners of the rights or as a result of an agreement between the owners and beneficiaries of exception to rights, or as a result of the implementation of measures issued by administrative or judicial authorities;

h) illegally removes or alters the electronic information referred to in article 102-quinquies, or distributes, imports for distribution, broadcasts on the radio or television, discloses or makes publicly available works or other protected materials on which the said electronic information has been removed or altered.

h-bis) illegally, also by the means described in paragraph 1 of article 85 (2) of the consolidated act on public security (Royal Decree no. 773 of 18 June 1931) transfers all or part of a cinema film, audiovisual artwork or publication to a digital, audio, video or audiovisual medium, or who copies, plays or communicates to the public the illegally transferred version".

2. Punishment comprising imprisonment for a period of between one and four years and a fine of between €2,582.00 and €15,493.00 will be enforced on anyone who:

a) *reproduces, duplicates, broadcasts or illegally distributes, sells or otherwise offers for sale, transfers to anyone else by any means or illegally imports more than fifty copies or editions of works covered by copyright and connected rights;*

a bis) in breach of article 16, and for financial gain, makes a creative work protected by copyright, or part of the same, available to the public by putting said works on a computer network by means of a connection of any kind;

b) *by operating a business involving the reproduction, distribution, sale, marketing or importation of works protected by copyright and connected rights, commits the offences described in paragraph 1;*

c) *promotes or organises the illegal activities described in paragraph 1.*

The penalty is reduced if the offence is particularly slight. Conviction for one of the offences described in paragraph 1 involves:

a) *application of the secondary punishments detailed in articles 30 and 32-bis of the Italian Criminal Code;*

b) *publication of the judgment pursuant to article 36 of the Italian Criminal Code;*

c) *suspension for a period of one year of the radio-television broadcasting licence or authorisation for production or commercial activities. The amounts raised from the fines described in the previous paragraphs are transferred to the National pensions and welfare authority for painters, sculptors, musicians, writers and playwrights".*

Protection of copyright and other rights related to the exercise of the same (art. 171 septies, Law no. 633 of 22 April 1941)

"The punishment referred to in article 171-ter, paragraph 1 is also applied:

b) if the offence does not constitute a more serious offence, anyone who falsely claims to have fulfilled the obligations referred to in article 181-bis, paragraph 2 of this law.

Protection of copyright and other rights related to the exercise of the same (art. 171 octies, Law no. 633 of 22 April 1941)

"Unless a more serious offence has been committed, anyone who fraudulently produces, puts on sale, imports, promotes, installs, modifies or utilises for public and private use equipment or parts of equipment for deciphering audiovisual broadcasts with restricted access, broadcast via the airways, via satellite, via cable or in analogue or digital form, is punishable by imprisonment for from six months to three years and a fine of from €2,582.00 to €25,822.00. Restricted access is taken to mean all audiovisual signals transmitted by Italian or foreign broadcasters in such a form as to make them only visible to closed groups of viewers chosen by the parties that broadcast the programmes, with or without a subscription fee.

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*novies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
All offences provided for by art. 25-*novies*, Decree 231/01	Up to 500 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 25-decies - Incitement not to make statements or to make false statements to the Judicial Authorities

Incitement not to make statements or to make false statements to the Judicial Authorities (art. 377-bis of the Italian Criminal Code)

"Unless a more serious offence has been committed, anyone who uses violence or threats or with the offer or promise of money or other goods to incite a person called to testify before the judicial authorities in criminal proceedings not to make statements or to make false statements when the individual has the right to remain silent is punishable by imprisonment for from two and six years".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*decies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Incitement not to make statements or to make false statements to the Judicial Authorities (Article 377-*bis* of the Italian Criminal Code)	Up to 500 quotas	None

Transnational offences[13]

Pursuant to Law no. 146 of 2006 *"a transnational offence is an offence punishable by imprisonment for at least four years, in the event that it involves an organised crime group and: (i) it is committed in more than one State; (ii) it is committed in one State but a substantial part of its preparation, planning, direction or control takes place in another State; (iii) it is committed in one State but involves (iv) an organised criminal group that engages in criminal activities in more than one State; or (v) it is committed in one State but has substantial effects in another State".*

Criminal conspiracy (art. 416 of the Italian Criminal Code)

"When three or more people form an association for the purpose of committing more than one crime, the people who promote, establish or organise the conspiracy shall be punishable, for this fact alone, by imprisonment for from three to seven years.

For the sole fact of membership of the association, the punishment is imprisonment for from one to five years.

The leaders are liable to the same punishment as the promoters.

If the members bear arms in the countryside or on the public highway, the punishment is imprisonment for from five to fifteen years.

The punishment is increased if the conspiracy has ten or more members.

If the purpose of the conspiracy is the commission of one of the crimes covered by articles 600, 601, 601-bis and 602, or article 12, paragraph 3-bis of the consolidated text on immigration and the treatment of foreigners, contained in Legislative Decree no. 286 of 25 July 1998, and articles 22, paragraphs 3 and 4, and 22-bis, paragraph 1 of Law no. 91 of 1 April 1999, the punishment is imprisonment for from five to fifteen years in the cases covered by the first paragraph and from four to nine years in those covered by the second paragraph.

If the purpose of the conspiracy is to commit one of the crimes envisaged by articles 600-bis, 600-ter, 600-quater, 600-quater.1, 600-quinquies or 609-bis, if the victim of the crime is less than eighteen years old, 609-quater, 609-quinquies, or 609-octies if the victim of the crime is less than eighteen years old, and 609-undecies, the punishment will be imprisonment for from four to eight years in the cases envisaged by the first paragraph and imprisonment for from two to six years in the cases envisaged by the second paragraph".

Mafia-type associations, including foreign ones (art. 416-bis of the Italian Criminal Code)

"Anyone belonging to a Mafia-type crime syndicate with three or more members is punishable by from ten to fifteen years' imprisonment. The people who promote, establish or organise the association shall be liable, for this fact alone, to imprisonment for from twelve to eighteen years.

[13]Law no. 146 dated 16 March 2006: *"Ratification and implementation of the United Nations Convention and Protocols against transnational organised crime adopted by the General Assembly on 15 November 2000 and 31 May 2001".*

A criminal association is defined as Mafia-like when those taking part use the membership bond and the intimidation arising from the consequent subordination and loyalty for the purposes of committing crimes, to acquire the direct or indirect management or control of businesses, concessions, authorisations, public contracts and services, or to produce unlawful profits or benefits for themselves or others, or in order to impede or obstruct the free exercise of voting rights, or to procure votes for themselves or others at elections.

If the association is armed, the punishment is imprisonment for from twelve to twenty years in the cases covered by the first paragraph and from fifteen to twenty-six years in those covered by the second paragraph.

An association is considered to be armed when the members have access to weapons or explosives, even if they are concealed or kept in a place of storage, for the pursuance of the association's aims.

If the businesses of which the members intend to gain or maintain control are totally or finally financed with the price, proceeds or profit of crimes, the punishments established in the previous points are increased by from one third to one half. The confiscation from the convicted party of the items which were used or intended for the commission of the crime, the items which constitute its price, proceeds or profit, and the items in which the latter were invested, is compulsory in all cases".

The provisions of this article also apply to the camorra, the ndrangheta and other associations, known locally by any name, including foreign ones, which use the intimidatory strength of the membership bond to pursue aims the same as those defined for Mafia-type associations".

Incitement not to make statements or to make false statements to the Judicial Authorities (art. 377-bis of the Italian Criminal Code)

"Unless a more serious offence has been committed, anyone who uses violence or threats or with the offer or promise of money or other goods to incite a person called to testify before the judicial authorities in criminal proceedings not to make statements or to make false statements when the individual has the right to remain silent is punishable by imprisonment for from two and six years."

Aiding and abetting (art. 378 of Italian Criminal Code)

"After the commission of an offence for which the law enforces life imprisonment or another custodial sentence, and in cases where there has been no complicity in the crime, anyone assisting anyone to evade authorities' investigations, or to evade searches for them, shall be punishable by up to four years' imprisonment.

If the offence committed was that envisaged by art. 416-bis, in all cases the period of imprisonment is at least two years.

In the case of offences for which the law establishes a different punishment, or minor offences, the punishment is a fine of up to €516.00.

The provisions of this article are applied even if the person who committed the offence cannot be charged or is found not to have committed the offence".

Criminal conspiracy for the smuggling of foreign manufactured tobaccos (art. 291-quater of Presidential Decree no. 43 of 23 November 1973)

"When three or more people form an association for the purpose of committing more than one of the crimes envisaged by article 291-bis, the people who promote, establish, direct, organise or finance the conspiracy shall be punishable, for this fact alone, by imprisonment for from three to eight years.

All members of the criminal conspiracy are punishable by imprisonment for from one to six years.

The punishment is increased if the conspiracy has ten or more members.

If the conspiracy is armed, or if the circumstances envisaged by points d) or e) of paragraph 2 of article 291-ter apply, the punishment is imprisonment for from five to fifteen years in the cases covered by paragraph 1 of this article, and from four to ten years in the cases covered by paragraph 2. A conspiracy is considered to be armed when the members have access to weapons or explosives, even if they are concealed or kept in a place of storage, for the pursuance of the association's aims.

The punishments envisaged by articles 291-bis and 291-ter and this article are decreased by half in relation to any of the accused who have broken with the group and have taken steps to ensure that there are no further consequences of the crime, also by working to assist the police or judiciary in gathering decisive evidence for the reconstruction of events and the identification or capture of the criminals, or the identification of resources of importance for the commission of crimes".

Conspiracy for the trafficking of narcotic or mind-altering drugs (art. 74 of Presidential Decree no. 309 of 9 October 1990)

"When three or more people form an association for the purpose of committing more than one of the crimes envisaged by article 73, the people who promote, establish, organise or finance the conspiracy shall be punishable, for this fact alone, by imprisonment for a period of at least twenty years.

All members of the criminal conspiracy are punishable by imprisonment for at least ten years.

The punishment is increased if the association has ten or more members or if its members include narcotic or mind-altering drug users.

If the association is armed, the punishment must be at least twenty-four years' imprisonment in the cases described in paragraphs 1 and 3 and twelve years' imprisonment in the case envisaged in paragraph 2. An association is considered to be armed when the members have access to weapons or explosives, even if they are concealed or kept in a place of storage.

The punishment is increased if the circumstances covered by article 80 paragraph 1, subsection e) apply.

If the conspiracy is established for commission of the offences described in article 73, paragraph 5, the first and second paragraphs of article 416 of the Italian Criminal Code apply.

The punishments envisaged by paragraphs 1 to 6 are reduced by one half to two thirds for those who have taken active steps to provide evidence of the crime or to deprive the association of resources of fundamental importance for its commission.

When laws and decrees refer to the offence envisaged by art. 75 of law no. 685 of 22 December 1975, abrogated by art. 38, paragraph 1 of law no. 162 of 26 June 1990, the reference shall be understood as being to this article".

Measures against illegal immigration (art. 12, paragraphs 3, 3-bis and 3-ter (5) of Leg. Dec. 286 of 25 July 1998)

[omissis]

"3. Unless a more serious offence is committed, anyone who, in breach of the provisions of this consolidated text, promotes, directs, organises, finances or carries out the transportation of foreigners into the country, or carries out any other actions intended to gain them illegal entry to the country, or any other country of which the person is not a national or where he does not have permanent residence rights, is liable to imprisonment for from five to fifteen years and a fine of €15,000.00 per person if:

a) *the offence involves the illegal entry into or presence in the country of five or more people;*

b) *the life of the trafficked person or their personal safety has been put at risk in order to gain them illegal entry or enable them to stay in the country illegally;*

c) *the trafficked person has been subjected to inhumane or degrading treatment in order to gain them illegal entry or enable them to stay in the country illegally;*

d) *the offence is committed by three or more people working together or using international transport services, or counterfeit, forged or illegally obtained documents;*

e) *the offenders had weapons or explosives at their disposal.*

3-bis. If, in the commission of the offences covered by paragraph 3, two or more of the circumstances listed in points a), b), c), d) and e) are fulfilled, the punishment envisaged therein is increased.

3-ter. The period of imprisonment is increased by one third to one half and the fine will be €25,000.00 per person if the offences covered by paragraphs 1 and 3:

a) *are committed in order to recruit people to be used for prostitution or any kind of sexual or labour exploitation, or refer to the entrance into the country of juveniles to be used in illegal activities allowing their exploitation;*

b) *are committed for the purposes of even indirect gain.*

5. Outside the cases covered by the previous paragraphs, and unless a more serious offence has been committed, anyone aiding and abetting foreigners to remain in the country in breach of the provisions of this consolidated text, in order to obtain unlawful gains from their illegal status or in the context of the activities punished under this article, shall be punished by imprisonment for up to four years and a fine of €15,493.00". If the offence is committed with the complicity of two or more people, or involves the presence in the country of five or more people, the punishment is increased by from one third to half."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by Law 146/2006 on transnational offences, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Criminal conspiracy (art. 416 of the Italian Criminal Code) • Mafia-type associations, including foreign ones (art. 416-bis of the Italian Criminal Code) • Criminal conspiracy for the smuggling of foreign manufactured tobaccos (art. 291-	From 400 to 1000 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence;

Offence	Fines	Debarment
quater of Presidential Decree no. 43 of 23 January 1973) • Conspiracy for the trafficking of mind-altering or psychotropic drugs (art. 74 of Presidential Decree no. 309 of 9 October 1990), if the offence is transnational as defined by art. 3 of Law no. 146/06		• ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.
• Provisions against illegal immigration (Article 12, Legislative Decree no. 286/1998).	From 200 to 1000 quotas	For a period of at least two years, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business

Offence	Fines	Debarment
		as per art. 16, paragraph 3 of the Decree shall be applied.
• Incitement not to make statements or to make false statements to the Judicial Authorities (art. 377-bis of Italian Criminal Code) • Aiding and abetting (art. 378 of Italian Criminal Code)	Up to 500 quotas	None

Art. 25-undecies - Environmental offences

Environmental pollution (Article 452-bis of the Italian Criminal Code)

"Punishment comprising imprisonment for a period of between two and six years and a fine of between €10,000.00 and €100,000.00 will be enforced against anyone who causes significant, measurable damage or deterioration:

1) *to water or the air, or large or significant parts of the soil or ground;*

2) *to an ecosystem and the biodiversity, including agricultural biodiversity, of the flora or fauna.*

If the pollution is caused in a nature reserve or a landscape, environmental, historic, architectural or archaeological heritage area, or to protected animal or plant species, the punishment is increased by between one third and one half. If the pollution degrades, compromises or destroys a habitat within a natural area that is protected or subject to landscaping, environmental, historic, artistic, architectural or archaeological restrictions, the sentence is increased by a third to two thirds".

Environmental disaster (art. 452-quater of the Italian Criminal Code)

"Outside the cases covered by article 434, anyone who causes an environmental disaster through illegal behaviour will be punished by imprisonment for from five to fifteen years. The various forms of environmental disaster are:

1) irreversible damage to the equilibrium of an ecosystem;

2) damage to the equilibrium of an ecosystem the elimination of which is particularly difficult and can only be achieved through exceptional measures;

3) harm to public health by reason of the extent of the event of the damage caused, its harmful effects or the number of people harmed or exposed to danger.

If the disaster is caused in a nature reserve or a landscape, environmental, historic, architectural or archaeological heritage area, or to protected animal or plant species, the punishment is increased by between one third and one half".

Environmental offences committed without criminal intent (art. 452-quinquies of the Italian Criminal Code)

"If any of the offences covered by articles 452-bis and 452-quater is committed without criminal intent, the punishments envisaged by the said articles will be reduced by from one third to two thirds.

If the danger of environmental pollution or environmental disaster derives from the commission of the offences referred to in the previous paragraph, the punishments will be further reduced by one third".

Trafficking and dumping of highly radioactive material (art. 452-sexies of the Italian Criminal Code)

"Unless a more serious offence is committed, punishment comprising imprisonment for a from two to six years and a fine of from €10,000.00 to €50,000.00 will be enforced on anyone who illegally sells, purchases, receives, transports, imports, exports, procures for others, transfers, dumps or illegally disposes of highly radioactive material.

The punishment as per the first paragraph will be increased if the offence causes the danger of damage or deterioration:

1) *to water or the air, or large or significant parts of the soil or ground;*

2) *to an ecosystem and the biodiversity, including agricultural biodiversity, of the flora or fauna.*

If the offence puts people's lives or safety at risk, the punishment will be increased by up to one half".

Aggravating circumstances (art. 452-octies of the Italian Criminal Code)

"If a conspiracy as per article 416 is intended solely or concurrently for the purpose of committing any of the offences covered by this section, the punishments contained in the said article 416 will be increased.

If the purpose of a conspiracy as per article 416-bis is the commission of any of the offences envisaged by this section, or the management or control of businesses, concessions, authorisations, contracts or public services relating to the environment, the punishments envisaged by the said article 416-bis will be increased.

The punishments referred to in the first and second paragraphs will be increased by one third to one half if the conspiracy includes public officials or persons in charge of a public service who perform functions or services relating to the environment".

Organised waste trafficking (Art. 452-quaterdecies of the Italian Criminal Code)[14]

"Anyone who illegally sells, receives, transports, exports, imports or in any way manages huge quantities of waste in more than one operation, by means of organised, continuous activities and resources, with the aim of making an undue profit, is punishable by imprisonment for from one to six years. If the waste concerned is highly radioactive, the period of imprisonment is from three to eight years. Those found guilty will receive the secondary penalties contained in articles 28, 30, 32-bis and 32-ter, with the restriction as per article 33. The Court which issues the guilty verdict, or the verdict issued under article 444 of the Criminal Procedural Code, shall order environmental remediation works and may suspend the sentence on the condition that the environmental damage or hazard is eliminated. Confiscation of the property used for the offence or which constitutes the proceeds of or profits from the offence shall always be ordered, unless they belong to persons not involved in the offence. If this is not possible, the Court selects assets of the same value which are at the direct or indirect availability of the guilty party and orders their confiscation".

Killing, destruction, trapping, picking or possession of plants and animals of protected species (art. 727-bis of Italian Criminal Code)

"Unless a more serious offence has been committed anyone who kills, captures or possesses wild animals of a protected species, except in the permitted circumstances, shall be punishable by imprisonment for from one to six months and a fine of up to €4,000.00, unless the act involves a negligible number of specimens of the species and has only a negligible impact on its conservation status.

Anyone who destroys, picks or possesses specimens of a protected wild plant species, except in the permitted circumstances, shall be punishable by a fine of up to €4,000.00, unless the act involves a negligible number of specimens of the species and has only a negligible impact on its conservation status.

Unless a more serious offence has been committed, anyone who, except in the permitted circumstances, violates the trade bans contained in article 8, paragraph 2 of Presidential Decree no. 357 of 8 September 1997, is punishable by imprisonment for from two to eight months and a fine of up to €10,000.00".

Destruction of or damage to habitats within a nature reserve (art. 733-bis of Italian Criminal Code)

"Anyone who destroys a habitat within a nature reserve or damages it to a point which puts its conservation at risk, except in the permitted circumstances, is punishable by imprisonment for up to eighteen months and a fine of at least €3,000.00".

Environmental Law - Criminal offences (Article 137, Legislative Decree no. 152 of 3 April 2006)

"Anyone who opens or in any way creates new discharges of industrial wastewater without authorisation, or continues to make or maintain any such discharges after the authorisation has been suspended or cancelled, is punishable with imprisonment for from two months to two years or a fine of from €1,500.00 to €10,000.00.

[14]It should be noted that art. 25-*undecies* of the Decree still indicates art. 260 of the Consolidated Text on the Environment as a predicate offence, although specifying that the reference is to art. 452-*quaterdecies* of the Italian Criminal Code, pursuant to art. 7 of Leg. Dec. no. 21 of 1 March 2018.

When the actions described in paragraph 1 relate to the discharge of industrial wastewaters containing the hazardous substances included in the categories and groups of substances contained in tables 5 and 3/A of Annex 5 to the third part of this decree, the punishment is imprisonment for from three months to three years.

Anyone who, except for the circumstances envisaged in paragraph 5, discharges industrial wastewaters containing the hazardous substances included in the categories and groups of substances included in tables 5 and 3/A of Annex 5 to the third part of this decree without complying with the requirements of the authorisation, or the other instructions issued by the competent authorities further to articles 107, paragraph 1 and 108, paragraph 4, shall be liable to imprisonment for up to two years.

[omissis]

Anyone who, during the discharge of industrial wastewater, exceeds the limits set in table 3, or in the case of discharge onto the ground, exceeds the limits set in table 4 of Annex 5 to the third part of this decree, or any tighter limits set by the regional or independent provincial authorities or the competent Authority under article 107, paragraph 1, with regard to the substances listed in table 5 of Annex 5 to the third part of this decree, shall be liable to imprisonment for up to two years and a fine of from €3,000.00 to €30,000.00. If the limit values set for the substances listed in table 3/A of the said Annex 5 are also exceeded the punishment shall be imprisonment for from six months to three years and a fine of from €6,000.00 to €120,000.00.

The punishments specified in paragraph 5 also apply to the operators of urban wastewater treatment plants which exceed the limit values set in the same paragraph when discharging.

[omissis]

Anyone not complying with the bans on discharge contained in articles 103 and 104 shall be punishable by imprisonment for up to three years.

[omissis]

The punishment shall be imprisonment for from two months to two years if the materials discharged into the sea by ships or aircraft contain substances or materials the discharge of which is absolutely forbidden under the relevant international conventions, ratified by Italy, unless they are in quantities such that they are rapidly rendered harmless by the physical, chemical and biological processes which occur naturally in the sea and provided they have been authorised in advance by the competent authority.

[omissis]".

Discharges onto the ground (Article 103, Legislative Decree no. 152 of 3 April 2006)

"Discharge onto the ground or into the surface strata is prohibited, except:

a) for the cases envisaged by article 100, paragraph 3;

b) for sewage system spillways;

c) for discharges of urban and industrial wastewater which, it has been demonstrated, it would be technically infeasible or disproportionately expensive in relation to the resulting environmental benefits to convey to bodies of surface water, provided they comply with the criteria and emission limit values set for this purpose

by the regional authorities pursuant to article 101, paragraph 2. Pending the issue of new regional regulations, the limit values for emissions in Table 4 of Annex 5 to the third part of this decree apply;

a) for discharges of wastewater from the processing of natural rocks or from systems used to wash mineral substances, provided the relative slurries consist only of water and natural inert matter and do not imply damage to the aquifers or a reduction in the stability of the ground;

b) for discharges of rainwater conveyed via separate drainage systems;

c) for water derived from the overflows of water tanks, the maintenance of drinking water supply systems and the maintenance of municipal water system wells.

Except in the circumstances covered by paragraph 1, existing discharges onto the ground must be conveyed to bodies of surface water or into drainage systems, or reused in accordance with the provisions of the decree referred to in article 99, paragraph 1. In case of failure to comply with the above obligations, the authorisation to discharge is cancelled to all intents and purposes.

The discharges referred to in point c) of paragraph 1 must comply with the limits in Table 4 of Annex 5 to the third part of this decree. In all cases, the ban on discharging onto the ground of the substances referred to in point 2.1 of Annex 5 to the third part of this decree stands."

Discharges underground and into groundwater (Article 104, Legislative Decree no. 152 of 3 April 2006)

"1. Direct discharge into groundwaters and underground is prohibited.

2. As an exception to the provisions of paragraph 1, after prior investigation the competent authority may authorise the discharge into the same aquifer of the water used for geothermal purposes, the seepage water from mines or quarries, or water pumped during specific civil engineering works, including the water from heat exchange systems.

3. As an exception to the provisions of paragraph 1, the Ministry of the Environment and Land and Sea Protection, in agreement with the Ministry of Economic Development, for undersea deposits, and without prejudice to the competence of the Ministry of Economic Development with regard to prospecting for and extracting liquid and gas hydrocarbons from underground deposits, the regions may authorise the discharge of water generated by the extraction of hydrocarbons into the deep geological units from which the hydrocarbons themselves were extracted, or into units with the same characteristics which contain, or have contained, hydrocarbons, specifying the modes of discharge. The water discharged must not contain other wastewaters or other hazardous substances different in type and quantity from those generated by the separation of the hydrocarbons. The relative authorisations contain specification of the technical precautions necessary to ensure that the wastewater cannot reach other water systems or damage other ecosystems

4. As an exception to the provisions of paragraph 1, after a prior investigation which will also verify that no extraneous substances are present, the competent authority may authorise discharges into the same aquifer of the water used for washing and processing aggregates, provided the relative slurries consist solely of water and natural inert matter and their discharge does not cause any damage to the aquifer. For this purpose, at the expense of the applicant party, the Regional Environmental Protection Agency ("ARPA") with territorial competence verifies the nature and quantity of the slurries and that there is no risk of damage to the aquifer, and issues a binding opinion regarding the application for authorisation to discharge.

5. With regard to the prospecting and search for and extraction of liquid or gas hydrocarbons under the sea, water is discharged directly into the sea following the procedures established by the Ministry of the

Environment and Territorial Protection in a specific decree, provided the mineral oil concentration is less than 40 mg/l. Direct injection into the sea is gradually replaced by injection or reinjection into deep geological units as soon as decommissioned wells suitable for injection or reinjection become available, and must in all cases be carried out in accordance with the provisions of paragraphs 2 and 3.

5-bis. As an exception to the provisions of paragraph 1, the injection, for the purposes of storage, of flows of carbon dioxide into geological formations which do not exchange any fluids with other formations and which for natural reasons are definitively unsuitable for other purposes is permitted, provided in the injection is carried out in compliance with the legislative decree implementing directive 2009/31/EC concerning the geological storage of carbon dioxide.

6. When authorising discharge into deep geological units as per paragraph 3, the Ministry of the Environment and Territorial Protection also authorises direct discharge into the sea, following the procedures established by paragraphs 5 and 7, for the following cases:

a) for the surplus fraction of water, if the capacity of the injector or reinjector well is not sufficient to receive all the water generated by the hydrocarbon extraction;

b) for the time necessary for the performance of routine and non-routine maintenance to guarantee the correct operation and safety of the system comprising the well and the injection or reinjection plant.

7. Direct discharge into the sea of water as per paragraphs 5 and 6 is authorised further to presentation of a monitoring plan to verify the absence of dangers to the water and aquatic ecosystems.

8. Except in the cases covered by paragraphs 2, 3, 5 and 7, existing and duly authorised discharges underground and into groundwater must be conveyed into surface bodies of water or, if possible, recycled, reused or used for agricultural purposes. In case of failure to comply with the above obligations, the authorisation to discharge is cancelled".

Discharges into municipal drains (Article 107, Legislative Decree no. 152 of 3 April 2006)

"1. While the emission limit values set out in table 3/A of Annex 5 to the third part of this decree stand, and with reference only to the parameters covered by note 2 of Table 5 in the said Annex 5, in Table 3, shall stand, discharges of industrial wastewater into municipal drainage systems are subject to the technical standards, regulatory requirements and limit values adopted by the local competent Authority in relation to the characteristics of the plant and with the aim of ensuring the protection of the receptor body of water and compliance with the law governing discharges of urban wastewater as defined by article 101, paragraphs 1 and 2".

Discharges of hazardous substances (Article 108, Legislative Decree no. 152 of 3 April 2006)

"4. For the substances listed in Table 3/A of Annex 5 to the third part of this decree, deriving from the production cycles referred to in the said table, the authorities also establish the maximum quantity of the substance expressed as unit of weight per unit of the element produced by the pollutant activity, and thus of raw material or product unit, in accordance with the provisions of the said Table. Discharges containing the hazardous substances referred to in paragraph 1 are subject to the provisions contained in point 1.2.3. of Annex 5 to the third part of this decree".

Unauthorised waste management (Article 256, Legislative Decree no. 152 of 3 April 2006)

"Anyone who collects, transports, recycles, disposes of, trades in or acts as broker for waste without the necessary authorisation, registration or notification under articles 208, 209, 210, 211, 212, 214, 215 and 216 shall be punishable:

a) by imprisonment for from three months to one year and a fine of from two thousand six hundred euros to twenty-six thousand euros in the case of non-hazardous waste;

b) by imprisonment for from six months to two years and a fine of from two thousand six hundred euros to twenty-six thousand euros in the case of hazardous waste.

The punishments set out in paragraph 1 shall apply to the proprietors of businesses and the managers of organisations which dump or deposit waste in an unregulated manner or discharge it into surface or groundwater in breach of the prohibition contained in article 192, paragraphs 1 and 2.

Anyone who creates or operates an unauthorised landfill shall be punishable by imprisonment for from six months to two years and a fine of from two thousand six hundred euros to twenty-six thousand euros. The imprisonment shall be for from one to three years and the fine from five thousand two hundred euros to fifty-two thousand euros if the landfill is even partly used for the disposal of hazardous waste. A conviction or a sentence issued under article 444 of the code of criminal procedure shall be followed by confiscation of the area on which the illegal landfill has been created if it belongs to the guilty party or an accomplice in the crime, subject to the obligation to remediate or restore the area.

The punishments as per paragraphs 1, 2 and 3 are reduced by half in case of failure to comply with the provisions contained or referred to in authorisations, or of failure to meet the requirements and conditions enforced for registrations or communications

Anyone who, in breach of the ban contained in article 187, illegally mixes different types of waste, shall be liable to the punishments set out in paragraph 1, subsection b).

Anyone who temporarily stores dangerous waste from health facilities at the production location, in breach of the provisions of article 227 paragraph 1 (b), shall be punishable by imprisonment for from three months to one year and a fine of from two thousand six hundred euros to twenty-six thousand euros. An administrative fine of from two thousand six hundred euro to fifteen thousand five hundred euros shall be levied for quantities not exceeding two hundred litres or equivalent quantities.

Anyone breaching the obligations contained in articles 231, paragraphs 7, 8 and 9, and 233, paragraphs 12 and 13, and 234, paragraph 14, is punishable by an administrative fine of from two hundred and sixty to one thousand five hundred and fifty euros.

Any parties as per articles 233, 235 and 236 which fail to comply with the participation obligations contained therein are punishable by an administrative fine from eight thousand to forty-five thousand euros, while the obligation to pay the previous contributions due still stands. Any parties as per article 234 which fail to comply with the participation obligations contained therein are punishable by an administrative fine of €5,000, while the obligation to pay the previous contributions due still stands. The penalties as per paragraph 8 are reduced by half if the parties concerned agree to comply with the participation obligations contained in articles 233, 234, 235 and 236 by the sixtieth day after the initial deadline".

Ban on unauthorised tipping (Article 192, Legislative Decree no. 152 of 3 April 2006)

"1. The unregulated tipping and dumping of waste on the ground are prohibited.

2. The discharge of waste of any kind, in the solid or liquid state, into surface or groundwater is also prohibited".

Remediation of sites (Article 257, Legislative Decree no. 152 of 3 April 2006)

"1. Unless a more serious offence has been committed[15], anyone who pollutes the soil, ground or surface or groundwaters, exceeding the risk threshold concentrations, shall be punishable by imprisonment for from six months to one year or a fine of from 2,600.00 to 26,000.00 euros if they fail to remediate the site in accordance with the project approved by the competent authorities in the context of the proceedings under article 242 and following articles. In case of failure to submit the report required by article 242, the offender shall be punishable by imprisonment for from three months to one year or a fine of from €1,000.00 to €26,000.00.

2. The punishment shall be imprisonment for from one to two years and a fine of from €5,200.00 to €52,000.00 if the pollution is caused by hazardous substances.

3. In the sentence convicting for the offence referred to in paragraphs 1 and 2, or the sentence issued pursuant to article 444 of the Criminal Procedural Code, conditional suspension of the punishment may be subject to execution of environmental emergency, clean-up and remediation works.

4. In case of compliance with projects approved further to articles 242 et seq., no penalties shall be enforceable for environmental offences established by other legislation with regard to the same event and for the same polluting action as referred to in paragraph 1".

Breach of the obligations with regard to reporting and the keeping of the compulsory records and forms (Article 258 of Legislative Decree no. 152 of 3 April 2006)

"1. The parties specified in article 189, paragraph 3 who do not make the disclosure prescribed therein or make an incomplete or inaccurate disclosure shall be subject to an administrative fine between two thousand and ten thousand euros; if the disclosure is made within the sixtieth day of the deadline set by law 70 of 25 January 1994, an administrative fine of from twenty-six to one hundred and sixty euros shall be imposed.

2. Anyone who fails to keep the loading and unloading register specified in article 190 paragraph 1 or keeps it incompletely, shall pay an administrative fine between two thousand and ten thousand euros. If the register relates to hazardous waste, an administrative fine between ten thousand and thirty thousand euros shall be imposed and in more serious cases the optional additional administrative penalty of suspension from between a month to a year from the office held by the person responsible for the offence and from the office of director may be imposed.

3. In the case of businesses with a workforce of fewer than 15 people, the fines shall be set between at least one thousand and forty euros and six thousand two hundred euros for non-hazardous waste and between two thousand and seventy euros and twelve thousand four hundred euros for hazardous waste. The

[15]The safeguard clause was introduced by art. 1, paragraph 2, of Law no. 68 of 22 May 2015. 68.

workforce is calculated to be the number of employees employed full time on average in a year, whereas part-time workers and seasonal workers are fractions of the annual workforce; for the above purposes, the year to be considered is the last year for which the financial statements were approved before the moment of the infringement's being ascertained.

4. Unless a criminal offence has been committed, anyone who transports waste without the form required under article 193 or the substitute documents envisaged therein, or who enters incomplete or inaccurate data in the form, is punishable with an administrative fine of from one thousand six hundred to ten thousand euros. The punishment envisaged under article 483 of the Italian Criminal Code shall be applied in case of the transportation of hazardous waste. The last-named penalty also applies to anyone who states false information about the type, composition or chemical-physical nature of waste in the relative analysis certificate, and anyone who uses a false certificate during transportation.

5. In the cases covered by paragraphs 1, 2 and 4 in which the information, although not formally complete or accurate, can be obtained correctly from the data entered in the notification to the registry, in the chronological registers of the entry and exit of waste, in the identification forms of the waste transported and in the other accounting ledgers kept in accordance with the law, an administrative fine of from two hundred and sixty to one thousand five hundred and fifty euros applies.

The same penalty applies in cases where the information is not formally complete or accurate but still contains sufficient data to enable reconstruction of the information required by law, or in the event of failure to send to the competent authorities and to conserve the registers referred to in article 190, paragraph 1, or the form as per article 193. The reduced penalty envisaged herein applies to failure to keep or incomplete keeping of the registers of incoming and outgoing waste by the producer if the transport forms are present, provided the date of production and receipt of the waste can be proven, or is the same as the date when the waste left the facility."

6. The parties specified in article 220 paragraph 2 who do not make the disclosure prescribed therein or make an incomplete or inaccurate disclosure shall be subject to an administrative fine between two thousand euros and ten thousand euros; if the disclosure is made within the sixtieth day of the deadline set by law 70 of 25 January 1994, an administrative fine of between twenty-six euros and one hundred and sixty euros shall be imposed.

7. The parties responsible for the integrated management of urban waste specified in article 189 paragraph 5 who do not make the disclosure prescribed therein or make an incomplete or inaccurate disclosure shall be subject to an administrative fine between two thousand euros and ten thousand euros; if the disclosure is made within the sixtieth day of the deadline set by law 70 of 25 January 1994, an administrative fine of between twenty-six euros and one hundred and sixty euros shall be imposed.

8. In the event of infringement of one or more of the obligations set out in article 184, paragraphs 5-bis and 5-bis.2 and in article 241-bis, paragraphs 4.bis, 4-ter and 4-quater of this decree, the commander of the Armed Forces firing range shall pay an administrative fine of between three thousand and ten thousand euros. In the event of repeated infringement of the obligations, an administrative fine of between five thousand euros and twenty thousand euros shall be imposed.

9. Anyone who infringes various provisions of this article or infringes the same provision several times shall be subject to the administrative fine set for the more serious infringement, increased up to twice the amount. The same fine shall be imposed on anyone who through several acts or omissions implementing the same plan also infringes several times at different times the same provision or different provisions of this article.

9-bis. The provisions set out in paragraph 9 apply to all infringements committed before Legislative Decree no. 116 of 3 September 2020 came into force, that have not already been dealt with by the courts.

10. Without prejudice to the fact that the act is an offence and without prejudice to the obligation to pay any previous contributions that have not been paid, failure to register with or incorrect registration with the Register specified in article 188-bis, within the time and in the manner defined in the decree specified in paragraph 1 of the article, is subject to an administrative fine from five hundred euros to two thousand euros, for non-hazardous waste, and from one thousand euros to three thousand euros for hazardous waste. Complete or partial failure to transmit information data within the time and in the manner defined therein is subject to an administrative fine 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 fines specified in paragraph 10 are reduced by a third if the culprit registers with the Register within 60 days of the expiry of the decree specified in paragraph 1 of article 188-bis and of the operating procedures. The mere correction of data that is communicated in the manner specified in the aforesaid decree is not subject to the fines specified in paragraph 11.

12. The amounts of the fines specified in sub-section 10 fall under the revenue heading of the state budget to be reassigned, by decree of the Ministry of the Economy and Finances, to the relative headings of the forecast of the Ministry of the Environment and Protection of the Territory and the Sea intended for reclamation of the sites specified in article 252 paragraph 5 if the conditions occur that are specified in article 253 paragraph 5, according to the distribution criteria and methods set by the decree of the Ministry of the Environment and Protection of the Territory and the Sea.

13. The fines set by this article, following the transmission or recording of incomplete or inaccurate data are imposed only if the data are significant for the purposes of traceability, except for material errors and formal infringements. In the event of significant incomplete or inaccurate data for the purposes of serial traceability, only one fine is imposed increased up to triple the amount".

Waste trafficking (Article 259, Legislative Decree no. 152 of 3 April 2006)

"1. Anyone who makes an illegal shipment of waste pursuant to article 26 of Regulation (EEC) no. 259 of 1 February 1993, or ships any of the types of waste listed in Annex II to the aforesaid regulation in breach of article 1, paragraph 3, points (a), (b) and (c) of the same, shall be liable to a fine of from €1,550.00 to €26,000.00 and imprisonment for up to two years. The punishment shall be increased if the waste shipped is classified as hazardous".

IT system controlling the traceability of waste (Article 260 (2) Legislative Decree no. 152 of 3 April 2006)

"[omissis]

6. The punishment envisaged under article 483 of the Italian Criminal Code shall be applied to anyone who indicates false information about the type, composition or chemical-physical nature of waste in the relative analysis certificate for use in the waste traceability monitoring system, and anyone who enters a false certificate in the data for use for the purposes of waste traceability.

7. Any forwarder who fails to accompany transportation of waste with a paper copy of the SISTRI - TRANSPORT AREA form[16] and, if necessary under the relevant legislation, with a copy of the analysis certificate which identifies the characteristics of the waste, is liable to an administrative five of from €1,600.00 to €9,300.00. The punishment envisaged under art. 483 of the Italian Criminal Code shall be applied in case of the transportation of hazardous waste. This punishment shall also be applied to anyone who uses a waste analysis certificate containing false information about the type, composition or chemical-physical nature of the waste transported during transportation operations.

8. Any forwarder who ships waste with a paper copy of the SISTRI - Transportation Area form which has been modified to contain false data shall be punishable under the combined provisions of articles 477 and 482 of the Italian Criminal Code. The punishment shall be increased by up to one third if the waste is classified as hazardous.

9. If the offences referred to in paragraph 7 do not jeopardise the traceability of the waste, an administrative fine of from €260.00 to €1,550.00 euros shall be applied".

Penalties (Article 279, Legislative Decree no. 152 of 3 April 2006)

"1. Apart from cases covered by article 6, paragraph 13, on which any penalties are imposed pursuant to article 29-quattuordecies, a party who starts to install or run a facility without the authorization specified in articles 269 or 272 or continues to run with an expired, invalid, suspended or revoked licence is subject to two months' to two years' imprisonment or a fine of €1,000.00 to €10,000.00. The same sentence is imposed on a party who subjects a facility to a substantial modification without the authorisation specified by article 269, paragraph 8 or, where applicable, by the decree implementing article 23 of law decree no. 5 of 9 February 2012, converted, with amendments, by law no. 35 of 4 April 2012 A party who subjects a facility to a non-substantial modification without making the disclosure envisaged by article 269, paragraph 8 or paragraph 11-bis or, where applicable, by the decree implementing article 23 of law decree no. 5 of 9 February 2012, converted, with amendments, by law no. 35 of 4 April 2012 is subject to an administrative fine from €300.00 euros to €1,000.00 imposed by the competent authority.

2. Anyone who, during the operation of a plant, breaches the emission limits established by the authorisation, by Annexes I, II, III or V to the fifth part of this decree, by the plans, programmes or regulations referred to in article 271 is punishable with imprisonment for up to one year or a fine of up to €10,000.00. If the limit values which are breached are contained in the integrated environmental authorisation, the penalties enforced by the law governing the said authorisation apply.

2-bis. Anyone who, during the operation of a plant, infringes the prescription set out in the authorisation, annexes I, II, III or V to Part Five, in the plans and the programmes or in the regulations specified in article 271 or in other prescriptions set by the competent authority is subject to an administrative fine from €1,000.00 to €10,000.00, imposed by the competent authority. If the requirements which are breached are contained in the integrated environmental authorisation, the penalties enforced by the law governing the said authorisation apply.

3. Apart from the cases punished pursuant to article 29-quattuordecies, paragraph 7, anyone who starts a plant or starts to run an activity without providing the prior disclosure prescribed pursuant to article 269,

[16]Although the text of art. 260 (2) of the Consolidated Text still contains the reference to "SISTRI – TRANSPORT AREA", it should be specified that this was abrogated, together with the relative penalties, with effect from 1 January 2019 (Decree Law no. 135 of 14 December 2018.

paragraph 6, or pursuant to article 272, paragraph 1, is subject to an administrative fine from €500.00 to €2,500.00. An administrative fine from €500.00 to €2,500.00 shall be imposed by the competent authority on a party that fails to make one of the disclosures specified by articles 273-bis, paragraph 6 and 273-bis, paragraph 6 and paragraph 7, points c) and d).

4. Apart from the cases punished pursuant to article 29-quattuordecies, paragraph 8, anyone who does not disclose to the competent authority the data on emissions pursuant to article 269, paragraph 6, is subject to an administrative fine from €1,000.00 to €10,000.00.

5. In the cases specified in paragraph 2, a custodial sentence up to one year is imposed if the emission limit values also cause the air quality limits set by current legislation to be breached.

6. Anyone who, in the cases specified by article 281, paragraph 1 does not adopt all the measures necessary to avoid even a temporary increase in emissions, is subject a year's imprisonment and a fine of up to one thousand thirty-three euros.

7. For the infringement of the prescriptions of article 276, if the infringement is not subject to the fines specified in paragraphs 1 to 6, an administrative fine from €15,500.00 to €155,000.00 is imposed for the infringement of the prescriptions of article 277. The region or another authority indicated by the regional law imposes this fine pursuant to article 17 and following articles of law 689 of 24 November 1981. The authorizations are always suspended if the offence is repeated".

(Art. 1, Law no. 150 of 7 February 1992)

"1. *Unless a more serious offence has been committed, the punishment of imprisonment for from six months to two year and a fine of from fifteen thousand to one hundred and fifty thousand euros shall be applied to anyone who, in breach of the provisions of Regulation (EC) 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments, with regard to plants and animals of the species listed in annex A of the Regulation and subsequent amendments:*

a) *imports, exports or re-exports plants and animals under any customs jurisdiction without the necessary certificate or licence, or with a certificate or licence which is not valid under article 11, paragraph 2a of Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementation and amendments;*

b) *fails to comply with the instructions for the protection of plants and animals provided in a licence or certificate issued in compliance with Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments and Regulation EC no. 939/97 of the Commission dated 26 May 1997 and subsequent amendments;*

c) *uses the aforesaid plants and animals in breach of the instructions contained in the authorisations or certificates issued together with the import licence or subsequent certificates;*

d) *transports or allows the passage, on his own account or that of third parties, of plants and animals without the necessary licence or certificate issued in compliance with Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments and Regulation (EC) no. 939/97 of the Commission dated 26 May 1997 and subsequent amendments and, in the case of exportation or re-exportation from a third country which is a signatory to the Washington Convention, issued in accordance with the same, or without sufficient proof of the existence of the said certificates;*

e) *trades in plants bred artificially in breach of the provisions of article 7, para 1, point b) of Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments and Regulation (EC) no. 939/97 of the Commission dated 26 May 1997 and subsequent amendments;*

f) *keeps, uses for gain, purchases, sells, exhibits or holds for sale or commercial purposes, offers for sale or in any way disposes of plants or animals without the required documentation.*

g) *In case of a repeat offence, imprisonment is for from one to three years and the fine is from thirty thousand to three hundred thousand euros. If the aforesaid offence is committed in the conduct of business, offenders' licences shall be suspended for from a minimum of six months to a maximum of two years".*

(Art. 2, Law no. 150 of 7 February 1992)

"Unless a more serious offence has been committed, the punishment of a fine of from twenty thousand to two hundred thousand euros or imprisonment for from six months to one year shall be applied to anyone who, in breach of the provisions of Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments, with regard to plants and animals of the species listed in annexes B and C of the Regulation and subsequent amendments:

a) *imports, exports or re-exports plants and animals under any customs jurisdiction without the necessary certificate or licence, or with a certificate or licence which is not valid under article 11, paragraph 2a of Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementation and amendments;*

b) *fails to comply with the instructions for the protection of plants and animals provided in a licence or certificate issued in compliance with Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments and Regulation EC no. 939/97 of the Commission dated 26 May 1997 and subsequent amendments;*

c) *uses the aforesaid plants and animals in breach of the instructions contained in the authorisations or certificates issued together with the import licence or subsequent certificates;*

d) *transports or allows the passage, on his own account or that of third parties, of plants and animals without the necessary licence or certificate issued in compliance with Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments and Regulation (EC) no. 939/97 of the Commission dated 26 May 1997 and subsequent amendments and, in the case of exportation or re-exportation from a third country which is a signatory to the Washington Convention, issued in accordance with the same, or without sufficient proof of the existence of the said certificates;*

e) *trades in plants bred artificially in breach of the provisions of article 7, para 1, point b) of Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent implementations and amendments and Regulation (EC) no. 939/97 of the Commission dated 26 May 1997 and subsequent amendments;*

f) *keeps, uses for gain, purchases, sells, exhibits or holds for sale or commercial purposes, offers for sale or in any way disposes of plants or animals without the required documentation, with regard to species listed in annex B of the Regulation only.*

In case of a repeat offence, imprisonment is for from six to eighteen months and the fine is from twenty thousand to two hundred thousand euros. If the aforesaid offence is committed in the conduct of business, offenders' licences shall be suspended for from a minimum of six to a maximum of eighteen months".

Art. 6, Law no. 150 of 7 February 1992)

"1. While the provisions of law no. 968 of 27 December 1977 still stand, no-one is permitted to trade in or possess wild mammals or reptiles which may constitute a danger to public health and safety or of species which suffer a high mortality rate during transportation or during capture in their places of origin.

2. Within one hundred and eighty days after the date when this law comes into force, the Minister of the Environment shall issue a decree listing the wild mammals or reptiles which may constitute a danger to public

health and safety and the species which suffer a high mortality rate during transportation or during capture in their places of origin.

3. While the provisions of paragraph 1 of article 5 still stand, anyone possessing live wild mammals or reptiles which may constitute a danger to public health and safety must report them to the police authorities within ninety days. The Chief of Police may temporarily authorise the possession of the aforesaid mammals or reptiles by issuing a permit, with motivations, having first checked that the premises where they are held guarantee the wellbeing of the animals and the protection of public health and safety.

4. Anyone breaching the provisions of paragraph 1 shall be liable to imprisonment for up to six months or a fine of from fifteen thousand to three hundred thousand euros.

5. Anyone breaching the provisions of paragraph 3 shall be liable to an administrative fine of from ten thousand to sixty thousand euros.

6. The costs of verifying and certifying suitability as per paragraphs 3 and 5 shall be payable by the organisations or individuals which possess the animals."

(Art. 3-bis, Law no. 150 of 7 February 1992)

"1. The offences envisaged by article 16 paragraph 1, points a), c), d), e) and l) of Regulation (EC) no. 338/97 of the Council dated 9 December 1996 and subsequent amendments, concerning the faking or modification with false data of certificates, licences, import registrations, declarations or the provision of information for the purposes of acquisition of a licence or certificate, or the use of fake or falsely modified certificates or licences, shall incur the penalties contained in book II, title VII, section III of the Italian Criminal Code.

2. In case of a contravention of the provisions of Presidential Decree no. 43 of 23 January 1973, the said provisions shall be applied in combination with those of articles 1 and 2 and this article".

Termination and reduction of the use of ozone depleting substances (Article 3 of Law no. 549 of 28 December 1993 - Measures to protect the ozone layer and the environment)

"1. The production, consumption, import, export, possession and trading of the harmful substances listed in table A annexed to this law are regulated by the provisions of Regulation (EC) no. 3093/94 (of the Council, of 15 December 1994, on substances that deplete the ozone layer).

2. With effect from the date when this law comes into force, the authorisation of plants which use substances listed in table A annexed to this law is prohibited, subject to the provisions of Regulation (EC) no. 3093/94.

3. The Ministry of the Environment, in agreement with the Ministry of Industry, Trade and Crafts, shall issue a decree, in accordance with the provisions and timings of the gradual elimination plan established by Regulation (EC) no. 3093/94, setting the date until which the use of substances listed in table A annexed to this law is permitted for the maintenance and refilling of plants and equipment already installed as of the date when this law comes into force, and the times and procedures for terminating the use of the substances listed in table B annexed to this law, and also specifying the essential uses of the substances listed in table B with regard to which permission to breach the provisions of this paragraph may be granted. The production, use, trade, import and export of the substances listed in tables A and B annexed to this law shall terminate on 31 December 2008, except for the substances, processes and production procedures not included in the scope of Regulation (EC) no. 3093/94, in accordance with the definitions contained therein.

4. In case of the adoption of terms other than those set forth in paragraph 3, as a consequence of the currently ongoing review of Regulation (EC) no. 3093/94, the terms indicated in this law shall be replaced and updated to the new terms.

5. Companies intending to terminate the production and use of the substances listed in table B annexed to this law before the prescribed deadlines may enter into specific planning agreement with the Ministries of Industry, Trade and Crafts and of the Environment, in order to benefit from the incentives offered under article 10, with priorities correlated to the amount of time by which the termination is brought forward in accordance with the procedures to be established by a decree of the Minister of Industry, Trade and Crafts, in agreement with the Minister of the Environment.

6. Anyone breaching the provisions of this article shall be liable to imprisonment for up to two years and a fine of up to three times the value of the substances used in production, imported or offered for sale.

In the most serious cases, a conviction shall lead to withdrawal of the authorisation or licence under which the illegal activity was conducted."

Pollution with intent (Article 8 of Legislative Decree no. 202 of 6 November 2007, Implementation of Directive 2005/35/EC on ship-source pollution and the introduction of penalties for infringements)

"1. Unless a more serious offence has been committed, the Commander of any vessel, operating under any flag, and the members of the crew, the owner and the operator of the vessel, if the offence is committed with their collusion, which breach the provisions of article 4 with criminal intent shall be liable to imprisonment for from six months to two years and a fine of from €10,000.00 to €50,000.00.

2. If the offence referred to in paragraph 1 causes permanent or particularly serious damage to water quality, plant or animal species or parts of the same, the punishment shall be imprisonment for from one to three years and a fine of from €10,000.00 to €80,000.00.

3. Damage shall be classified as particularly serious when the elimination of its consequences is particularly complex from the technical point of view, particularly expensive, or only possible with the aid of exceptional measures."

Involuntary pollution (Article 9 of Legislative Decree no. 202 of 6 November 2007, Implementation of Directive 2005/35/EC on ship-source pollution and the introduction of penalties for infringements)

"1. Unless a more serious offence has been committed, the Commander of any vessel, operating under any flag, and the members of the crew, the owner and the operator of the vessel, if the offence is committed with their cooperation, which culpably breach the provisions of article 4 shall be liable to a fine of from €10,000.00 to €30,000.00.

2. If the offence referred to in paragraph 1 causes permanent or particularly serious damage to water quality, plant or animal species or parts of the same, the punishment shall be imprisonment for from six months to two years and a fine of from €10,000.00 to €30,000.00.

3. Damage shall be classified as particularly serious when the elimination of its consequences is particularly complex from the technical point of view, particularly expensive, or only possible with the aid of exceptional measures."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*undicies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Art. 452-*bis* of the Italian Criminal Code	From 250 to 600 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Art. 452-*quater* of the Italian Criminal Code	From 400 to 800 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Offence	Fines	Debarment
• Art. 452-*quinquies* the Italian Criminal Code	From 200 to 500 quotas.	None
• Art. 452-*sexies* of the Italian Criminal Code	From 250 to 600 quotas	None
• Art. 452-*octies* of the Italian Criminal Code	From 300 to 1,000 quotas.	None
• Art. 452-*quaterdecies* of the Italian Criminal Code, paragraph 1	From 300 to 500 quotas.	For a period not exceeding six months, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.
• Art. 452-*quaterdecies* of the Italian Criminal Code, paragraph 2	From 400 to 800 quotas	
• Art. 727-*bis* of the Italian Criminal Code	Up to 250 quotas	None
• Art. 733-*bis* of the Italian Criminal Code	From 150 to 250 quotas	None
• Art. 137, paragraphs 3, 5 (first sentence) and 13 Consolidated Text on the Environment (T.U.A.)	From 150 to 250 quotas	None
• Art. 137, paragraphs 2, 5 (second sentence) and 11, Consolidated Text on the Environment (T.U.A.)	From 200 to 300 quotas	For a period of at least six months, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the

Offence	Fines	Debarment
		possible revocation of any already granted; • ban on advertising goods or services.
• Art. 256, paragraph 1, point a), Consolidated Text on the Environment (T.U.A.)	Up to 250 quotas	None
• Art. 256, paragraph 1, point b), Consolidated Text on the Environment (T.U.A.)	From 150 to 250 quotas	None
• Art. 256, paragraph 3, first sentence, Consolidated Text on the Environment (T.U.A.)	From 150 to 250 quotas	None
• Art. 256, paragraph 3, second sentence, Consolidated Law on the Environment	From 200 to 300 quotas	For a period of at least six months, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Art. 256, paragraph 5, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 256, paragraph 6, first sentence, Consolidated Law on the Environment	Up to 250 quotas	None

Offence	Fines	Debarment
• Art. 257, paragraph 1, Consolidated Law on the Environment	Up to 250 quotas	None
• Art. 257, paragraph 2, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 258, paragraph 4, second sentence, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 259, paragraph 1, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 260-bis, paragraph 6, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 260-bis, paragraph 7, second sentence, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 260-bis, paragraph 7, third sentence, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 260-bis, paragraph 8, first sentence, Consolidated Law on the Environment	From 150 to 250 quotas	None
• Art. 260-bis, paragraph 8, second sentence, Consolidated Law on the Environment	From 200 to 300 quotas	None
• Art. 279, paragraph 5, Consolidated Law on the Environment	Up to 250 quotas	None
• Art. 1, paragraph 1, Law 150/1992	Up to 250 quotas	None
• Art. 1, paragraph 2, Law 150/1992	From 150 to 250 quotas	None
• Art. 2, paragraph 1, Law 150/1992	Up to 250 quotas	None
• Art. 2, paragraph 2, Law 150/1992	Up to 250 quotas	None

Offence	Fines	Debarment
• Art. 6, paragraph 4, Law 150/1992	Up to 250 quotas	None
• Art. 3-bis, paragraph 1, Law 150/1992	Different depending on the punishment enforced by the Criminal Code for the falsification[17]	None
• Art. 3, paragraph 6, Law 549/1993	From 150 to 250 quotas	None
• Art. 9, paragraph 1, Leg. Dec. 202/2007	Up to 250 quotas	None
• Art. 8, paragraph 1, Leg. Dec. 202/2007	From 150 to 250 quotas	For a period of at least six months, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a

[17]Specifically, Article 25-*undecies* of the Decree envisages the following punishments for the Criminal Code offences referred to in article 3-*bis*, paragraph 1, of the aforesaid law no. 150 of 1992:

1) fine of up to the value of two hundred and fifty quotas, in the case of commission of an offence for which the maximum punishment is imprisonment for up to one year;

2) fine of the value of from one hundred and fifty to two hundred and fifty quotas, in the case of commission of an offence for which the punishment is imprisonment for up to two years;

3) fine of the value of from two hundred to three hundred quotas, in the case of commission of an offence for which the maximum punishment is imprisonment for up to three years;

4) fine of the value of from three hundred to five hundred quotas, in the case of commission of an offence for which the maximum punishment is imprisonment for more than three years;

Offence	Fines	Debarment
		permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.
• Art. 9, paragraph 2, Leg. Dec. 202/2007	From 150 to 250 quotas	For a period of at least six months, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.
• Art. 8, paragraph 2, Leg. Dec. 202/2007	From 200 to 300 quotas	For a period of at least six months, all the debarment measures envisaged by art. 9, paragraph 2: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence;

Offence	Fines	Debarment
		• ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of offences for which its responsibility is envisaged, permanent debarment from business as per art. 16, paragraph 3 of the Decree shall be applied.

Art. 25-duodecies - Employment of third-country nationals staying in Italy illegally

Article 12, paragraphs 3, 3-bis, 3-ter and 5 of Legislative Decree 286/1998 (Consolidated Act on immigration and the status of foreigners)

"3. Unless a more serious crime has been committed, anyone who, in breach of the provisions of this consolidated act, promotes, directs, organises, finances or carries out the transportation of foreigners into the country, or carries out any other actions intended to gain them illegal entry to the country, or any other country of which the person is not a citizen or where they do not have permanent residence rights, is liable to imprisonment for from six to sixteen years and a fine of €15,000 per person if: a) the offence involves the illegal entry into or presence in the country of five or more people; b) the life of the trafficked person or their personal safety has been put at risk in order to gain them illegal entry or enable them to stay in the country illegally; c) the trafficked person has been subjected to inhumane or degrading treatment in order to gain them illegal entry or enable them to stay in the country illegally; d) the act is committed by three or more people working together or using international transport services, or counterfeit, forged or illegally obtained documents; e) the offenders had weapons or explosives at their disposal.

3-bis. If, in the commission of the offences covered by paragraph 3, two or more of the circumstances listed in points a), b), c), d) and e) are fulfilled, the punishment envisaged therein is increased.

3-ter. The custodial sentence is increased by from one third to one half and a fine of €25,000.00 per person is applied if the offences referred to in paragraphs 1 and 3): a) are committed in order to recruit people to be used for prostitution or any kind of sexual or labour exploitation, or refer to the entrance into the country of juveniles to be used in illegal activities allowing their exploitation; b) are committed for the purpose of even indirect personal gain.

5. Outside the cases covered by the previous paragraphs, and unless a more serious offence has been committed, anyone aiding and abetting foreigners to remain in the country in breach of the provisions of this consolidated law, in order to obtain unlawful gains from their illegal status or in the context of the activities punished under this article, shall be punishable by imprisonment for up to four years and a fine of up to thirty million lire. If the offence is committed with the complicity of two or more people, or involves the presence in the country of five or more people, the punishment is increased by from one third to half".

Article 22, paragraphs 12 and 12-bis of Legislative Decree no. 286/1998 (Consolidated Act on immigration and the status of foreigners)

12. "Any employer who employs foreign workers who do not hold the residence permits required under this article, or whose permits have expired without submission of a renewal application within the legal term, or have been withdrawn or cancelled, shall be punishable by imprisonment for from six months to three years and a fine of €5,000.00 for each worker employed.

12-bis. The punishments for the offences covered by paragraph 12 are increased by from one third to one half:

a) if more than three workers are employed;

b) if the workers employed are juveniles below working age;

c) if the workers employed are subjected to the other employment conditions set forth in the third paragraph of article 603-bis of the Italian Criminal Code".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*duodecies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Article 12, paragraphs 3, 3-bis, 3-ter of Legislative Decree no. 286 of 25 July 1998.	From 400 to 1000 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree;
• Article 12, paragraph 5 of Legislative Decree no. 286 of 25 July 1998.	From 100 to 200 quotas	For a period of at least one year, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree;
• Article 22, paragraphs 12 and 12-bis of Legislative Decree no. 286 of 25 July 1998.	from 100 to 200 quotas, up to the limit of 150,000.00 Euro	None

Art. 25-terdecies – Racism and Xenophobia

Propaganda and incitement to commit crimes on the grounds of racial, ethnic and religious discrimination (art. 604 bis of the Italian Criminal Code)

Unless a more serious offence has been committed: a) anyone spreading ideas founded on racial or ethnic superiority or hatred, or who commits or incites others to commit acts of discrimination on grounds of race, ethnic origin, nationality or religion shall be punishable by imprisonment for up to one year and six months and a fine of up to €6.000.00; b) anyone who, in any way, commits or instigates others to commit acts of violence or provocation to violence on the grounds of race, ethnic origin, nationality or religion shall be punishable by imprisonment for from six months to four years. All organisations, associations, movements or groups having incitement to discrimination or violence on the grounds of race, ethnic origin, nationality or religion amongst their purposes are banned. Anyone participating in any such organisation, association, movement or group, or aiding their activities, is punishable, for the sole fact of the said participation or aid, by imprisonment for from six months to four years. Anyone promoting or directing any such organisation, association, movement or group is punishable, for this fact alone, by imprisonment for from one to six years. If the propaganda, instigation or incitement, committed in such a way that there is real danger of its dissemination, is based wholly or partially on the denial or serious minimisation of or apologia for the Shoah or crimes of genocide, crimes against humanity or war crimes, as defined by articles 6, 7 and 8 of the Statute of the International Criminal Court, the punishment is imprisonment for from two to six years".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*terdecies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Propaganda and incitement to commit crimes on the grounds of racial, ethnic and religious discrimination (art. 604 bis of the Italian Criminal Code)	From 200 to 800 quotas	For a period of at least one year, all the debarment measures envisaged by article 9, paragraph 2, of the Decree. If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of the crimes referred to in paragraph 1, permanent debarment from business as per article 16, paragraph 3 of the Decree shall be applied.

Art. 25-quaterdecies - Cheating in sporting competitions, illegal gaming or betting and games of chance by means of prohibited devices

Cheating in sporting competitions (art. 1 of Law no. 401 dated 13 December 1989)

"Anyone who offers or promises money or other benefits or advantages to one or more competitors in a sporting competition organised by the federations recognised by the Italian National Olympic Committee (CONI), the Italian Union for Equitation (UNIRE) or other sporting organisations recognised by the State and their member associations in order to obtain a result different from the one which would have derived from the fair, honest conduct of the event, or undertakes other fraudulent acts for the same purpose, is punishable by imprisonment for from one month to one year and a fine of from five hundred to two million Italian lire. In less serious cases, only the fine is applied.

Competitors who accept the money or other benefits or advantages, or agree to the promise of the same, are liable to the same punishments.

If the outcome of the competition is significant for the purposes of legal betting arrangements, the punishment for the offences defined by paragraphs 1 and 2 is imprisonment for from three months to two years and a fine of from five million to fifty million Italian lire".

Illegal gaming or betting (art. 4 of Law no. 401 dated 13 December 1989)

"Anyone who illegally organises lotteries or betting in breach of the monopoly of the State or any other concessionaire body is punishable by imprisonment for from six months to three years. Anyone who in any way organises betting on the outcome of sporting competitions Italian National Olympic Committee (CONI), its dependent organisations or the Italian Union for Equitation (UNIRE) is liable to the same punishment. Anyone who illegally organises public betting on any other competitions between people or animals, or game of skill, is punishable by imprisonment for from three months to one year and a fine of at least one million lire. Anyone who sells tickets for lotteries or similar of any events held by foreign states, within Italy without the authorisation of the State Monopolies Authority, or anyone who in any way takes part in operations of this kind by collecting bets and accrediting the relative winnings, or by advertising and promoting these operations by any means, is liable to the same punishment.

In the case of competitions, games or bets organised by the means referred to in paragraph 1, in circumstances which do not constitute any of the offences envisaged by the said paragraph, anyone who in any way publicises the said operations is punishable by imprisonment for up to three months and a fine of from one hundred thousand to one million lire.

Anyone participating in competitions, games or bets organised by the means referred to in paragraph 1, in circumstances which do not constitute any of the offences envisaged by the said paragraph, is punishable by imprisonment for up to three months and a fine of from one hundred thousand to one million lire.

The provisions of paragraphs 1 and 2 also apply to games of chance organised using the devices prohibited by article 110 of Royal Decree no. 773 of 18 June 1931, as amended by law no. 507 of 20 May 1965, and most recently amended by article 1 of law no. 9043 of 17 December 1986.

Anyone who, without a concession, authorisation or licence as defined by article 88 on the consolidated law on public security, approved by Royal Decree no. 773 of 18 June 1931 and subsequent amendments, engages in Italy in any activity organised for the acceptance or collection, or in any way to promote the acceptance or collection, also via telephone or digitally, of bets of any kind, accepted by anyone, in Italy or abroad, is liable to the punishments set forth in this article.

Without prejudice to the powers assigned to the Ministry of Finance by article 11 of Decree Law no. 557 of 30 December 1993, converted with amendments by law no. 133 of 26 February 1994, and applying article 3, paragraph 228 of Law no. 549 of 28 December 1995, anyone who collects or books lottery wagers or bets via telephone or by digital means without the specific authorisation for the use of the said means for the said collection or booking, is liable to the punishments set forth in this article".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*quaterdecies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Cheating in sporting competitions (art. 1 of Law no. 401 dated 13 December 1989)	a) for offences: up to 500 quotas; b) for fees: up to 260 quotas.	• The organisation is subject to the debarment measures contained in article 9 paragraph 2 for a period of at least one year.
• Illegal gaming or betting (art. 4 of Law no. 401 dated 13 December 1989)	a) for offences: up to 500 quotas; b) for fees: up to 260 quotas.	• The organisation is subject to the debarment measures contained in article 9 paragraph 2 for a period of at least one year.

Art. 25-quinquiesdecies – Tax offences

False tax returns using invoices or other documents relating to non-existent transactions (which generate fictitious liabilities of €100,000.00 or more/which generate fictitious liabilities of less than €100,000.00) (Art. 2, paragraphs 1 and 2 (2) Leg. Dec. 74/2000)

"Anyone who uses invoices or other documents for non-existent transactions in order to include non-existent expenditure items in a tax return and thus evade income or value added taxes is punishable by imprisonment for from four to eight years.

The offence is committed if invoices or other documents relating to non-existent transactions are used when the said invoices or documents are entered in the compulsory accounts or are kept for use as evidence in relation to the fiscal authorities.

If the amount of the non-existent expenditure items is less than one hundred thousand euros, the punishment is imprisonment for from one year and six months to six years."

False tax returns using other forms of deception (Art. 3, Leg. Dec. 74/2000)

"Outside the cases covered by art. 2, anyone who uses objectively or subjectively simulated operations, meaning the use of false documents or other forms of deception to obstruct tax inspections and to mislead the tax authorities, in order to enter in a return relating to the above taxes income for an under-declared value, fake expenditure items, or fake credits and deductions and thus evade income or value added tax, is punishable by imprisonment for from three to eight years, if, at the same time: a) the amount evaded is more than thirty thousand euros for each of the individual taxes; b) the total amount of the income not declared,

also through the inclusion of fake expenditure items, is more than five percent of the total amount of the income items included in the tax return, or exceeds one million five hundred thousand euros or if the total amount of the fake credits and deductions included to reduce the tax payable exceeds five percent of the amount of the tax payable, or is over thirty thousand euros.

The offence is committed if fake documents are used when the said invoices or documents are entered in the compulsory accounts or are kept for use as evidence in relation to the fiscal authorities.

The mere violation of obligations to issue invoices and to enter asset items in the accounts, or the mere indication in invoices or bookkeeping entries of asset items of less than the real value, do not constitute fraudulent means for the purposes of the application of the provisions of paragraph 1.

Issue of invoices or other documents relating to non-existent transactions (for amounts of €100,000.00 or above / for amounts below €100,000.00) (Art. 8, paragraphs 1 and 2-bis, Leg. Dec. 74/2000)

"Anyone who issues invoices or other documents for non-existent transactions in order to enable third parties to evade income or value added taxes is punishable by imprisonment for from four to eight years.

For the purposes of the application of the provisions of paragraph 1, the issue or release of multiple invoices or documents for non-existent transactions during the same tax period is classified as a single offence.

If the false amount indicated in the invoices or documents is less than one hundred thousand euros per tax period, the punishment is imprisonment for from one year and six months to six years."

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

"Unless a more serious offence has been committed, anyone who totally or partially conceals or destroys accounts or documents the conservation of which is compulsory, in order to prevent the reconstruction of incomes or turnover, in order to evade, or enable third parties to evade, income or value added taxes, is punishable by imprisonment for from three to seven years."

Tax evasion through fraud (Art. 11 of Leg. Dec. no. 74/2000).

"Anyone who sells, including with simulation, or undertakes other fraudulent operations involving, their offender's own assets or those of others in order to totally or partially prevent enforced collection procedures and thus evade income or value added taxes, or interest or administrative fines relating to the said taxes, for a total amount exceeding fifty thousand euros, is punishable by imprisonment for from six months to four years. If the amount of the taxes, fines and interest is more than two hundred thousand euros, the punishment is imprisonment for from one year to six years. Anyone who indicates, in the documentation submitted for negotiated settlements of outstanding taxes, assets amounting to less than those actually held or fake liabilities for a total amount exceeding fifty thousand euros, in order to partially avoid the payment of taxes and related expenses for themselves or others, is punishable by imprisonment for from six months to four years. If the amount as per the above point is more than two hundred thousand euros, the punishment is imprisonment for from one year to six years".

Untruthful tax returns (Art. 4 of Leg. Dec. 74/2000)[18]

"Except in the cases covered by articles 2 and 3, anyone who indicates assets for an amount below the real value, or non-existent liabilities, in an annual tax return in order to evade income or value added tax is punishable by imprisonment for from two years to four years and six months, if, at the same time:
a) the tax evaded is more than €100,000.00 for each of the individual taxes;
b) the total amount of the assets not declared for tax, also through the inclusion of fake expenditure items, is more than ten percent of the total amount of the asset items included in the tax return, or exceeds €2,000,000.00.
The incorrect classification or valuation of asset or liability items which objectively exist, for which the criteria actually applied have been stated in the financial statements or in other documents of fiscal relevance, the violation of criteria for establishing the fiscal year of competence, or the irrelevance or non-deductibility of real liability items, do not constitute offences relevant for the application of the provisions of paragraph 1.
Except in the circumstances covered by paragraph 1-bis, evaluations which, overall, do not differ from the correct valuations by more than 10 percent do not constitute the grounds for punishable offences. Any amounts within this percentage threshold are not considered when checking whether the thresholds for punishment under paragraph 1, subsections a) and b) have been exceeded."

Failure to submit a tax return (Art. 5 of Leg. Dec. 74/2000)[19]

"1. Anyone who fails to submit a tax return when obliged to do so in order to evade income or value added taxes is punishable by imprisonment for from two to five years if the amount evaded, with regard to each of the individual taxes, exceeds €50,000.00. 1-bis Anyone who fails to submit a withholding agent declaration when obliged to do so is punishable by imprisonment for from two to five years if the amount of the taxes withheld and not paid to the State is more than €50,000.00. 2. A return submitted within ninety days after the deadline, not signed or not submitted on the approved form is still considered to have been submitted for the purposes of the provisions of paragraphs 1 and 1-bis".

Unlawful compensation of taxes (Art. 10 quater of Leg. Dec. 74/2000)[20]

"1. Anyone who fails to pay the sums due by using credits to which they are not entitled for purposes of compensation, pursuant to article 17 of Legislative Decree no. 241 of 9 July 1997, for an annual amount in excess of €50,000.00, is punishable by imprisonment for from six months to two years.

2. Anyone who fails to pay the sums due by using non-existent credits for purposes of compensation, pursuant to article 17 of Legislative Decree no. 241 of 9 July 1997, for an annual amount in excess of €50,000.00, is punishable by imprisonment for from one year and six months to six years."

[18]This offence is only relevant for the purposes of Leg. Dec. 231/01 if it is committed with the aim of evading value added tax as part of mechanisms of international fraud involving the territory of at least one European Union Member State, which has caused or may cause total damage of ten million euros or more.

[19]This offence is only relevant for the purposes of Leg. Dec. 231/01 if it is committed with the aim of evading value added tax as part of mechanisms of international fraud involving the territory of at least one European Union Member State, which has caused or may cause total damage of ten million euros or more.

[20]This offence is only relevant for the purposes of Leg. Dec. 231/01 if it is committed with the aim of evading value added tax as part of mechanisms of international fraud involving the territory of at least one European Union Member State, which has caused or may cause total damage of ten million euros or more.

2-bis. The punishability of the offender referred to in paragraph 1 shall be excluded where, also due to the technical nature of the valuations, conditions of objective uncertainty exist as to the specific elements or particular qualities underlying the entitlement to the claim".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*quinquiesdecies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• False tax returns using invoices or other documents relating to non-existent transactions (art. 2, paragraph 1, Leg. Dec. no. 74 of 10 March 2000) • False tax returns using other forms of deception (art. 3, Leg. Dec. no. 74 of 10 March 2000) • Issue of invoices or other documents for non-existent transactions (art. 8, paragraph 1, Leg. Dec. no. 74 of 10 March 2000)	Up to 500 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	The debarment measures contained in article 9, paragraph 2, subsections c), d) and e) are applied: • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• False tax returns using invoices or other documents for non-existent transactions (art. 2, paragraph 2-*bis* Leg. Dec. no. 74 of 10 March 2000) • Issue of invoices or other documents for non-existent transactions (art. 8, paragraph 2-*bis*, Leg. Dec. no. 74 of 10 March 2000) • Concealment or destruction of accounting documents (art. 10, Leg. Dec. no. 74 of 10 March 2000) • Tax evasion through fraud (art. 11, Leg. Dec. no. 74 of 10 March 2000) • Failure to submit a tax return (art. 5, Leg. Dec. no. 74, 10 March 2000) • Unlawful compensation of taxes (art. 10 *quater* Leg. Dec. no. 74, 10 March 2000)	Up to 400 quotas If the profit generated for the organisation has been high, the fine is increased by a third.	The debarment measures contained in article 9, paragraph 2, subsections c), d) and e) are applied: • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Offence	Fines	Debarment
• Untruthful tax returns (art. 4, Leg. Dec. no. 74 10 March 2000)	Up to 300 quotas. If the profit generated for the organisation has been high, the fine is increased by a third.	The debarment measures contained in article 9, paragraph 2, subsections c), d) and e) are applied: • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 25-sexiesdecies - Smuggling offences

(Art. 78, Annex 1 to Legislative Decree no. 141/2024) Smuggling undeclared goods

"1. A fine amounting to 100 to 200 percent of the customs duties due shall be paid by anyone who, by failing to make the customs declaration:

a) introduces, circulates in the customs area in any way and for any reason non-EU goods;

b) takes EU goods out of the customs area for any reason.

2. The fine specified in paragraph 1 applies to anyone who possesses non-EU goods when the circumstances specified in article 19.2 occur".

(Art. 79, Annex 1 to Legislative Decree no. 141/2024) Smuggling by false declaration

"1. Anyone who declares the quality, quantity, origin and value of the goods and any other item required to apply the tariff and pay duty that does not correspond to what has been ascertained shall be fined from 100 percent to 200 percent of the customs duty due or of the duty improperly received or improperly claimed back".

(Art. 80, Annex 1 to Legislative Decree no.. 141/2024). Smuggling by moving goods by sea, air and over international borders on lakes

"1. A fine that is 100 to 200 percent of the customs duties due shall be imposed on the pilot in command of an aircraft or the master of a vessel who:

a) unloads, loads or transfers non-EU goods on Italian territory and fails to report them to the nearest office of the Agency;

b) at the moment of departure has no non-EU goods aboard or for export with reimbursement of customs duty that should be on board according to the manifest, the summary declaration or the other customs documents;

c) transports non-EU goods on Italian territory without a manifest, the summary declaration and any other prescribed customs documents.

2. The punishment specified in paragraph 1 is also imposed on:

a) a master of a vessel who, in infringement of the prohibition specified in article 60, whilst transporting non-EU goods, approaches the Italian shore or drops anchor, switches off engines or makes contact with Italian territory in order to facilitate the unloading or loading of the goods;

b) a pilot in command of an aircraft who, whilst transporting non-EU goods lands outside an airport with customs controls and fails to report the landing by the next working day to the authorities indicated in article 65. In such cases not only the load but also the aircraft are deemed to have been smuggled into the customs territory".

(Art. 81, Annex 1 to Legislative Decree no. 141/2024) Smuggling through improper use of imported goods with total or partial reduction of duty

"1. Anyone who assigns a purpose or use entirely or partially to non-EU goods that are imported duty-free or with a reduction of duty that is different from the purpose or use for which the duty exemption or reduction was granted shall be fined from 100 percent to 200 percent of the customs duty due".

(Art. 82, Annex 1 to Legislative Decree no. 141/2024) Smuggling in the export of goods eligible for refund of customs duty

"1. Anyone who uses fraudulent means in order to obtain improper reimbursement of duty on imported raw materials used in the manufacture of goods that are exported shall be fined from 100 percent to 200 percent of the duty that the party has had reimbursed or has attempted to have reimbursed".

(Art. 83, Annex 1 to Legislative Decree no. 141/2024) Smuggling through temporary export and specific use and processing procedures

"1. Anyone who, in temporary export operations and in specific use and processing procedures, subjects the goods to artificial manipulation or uses other fraudulent means in order to avoid paying the duty on goods that would be due, shall be punished by a fine from 100 percent to 200 percent of the customs duty due".

(Art. 84, Annex 1 to Legislative Decree no. 141/2024) Smuggling manufactured tobacco

"1. "Anyone who brings into the country, sells, circulates, purchases or possesses within the country, a quantity of contraband manufactured tobacco above 15 conventional kilograms, as defined by article 39-quinquies of the consolidated law specified in Legislative Decree no. 504 of 26 October 1995, shall be subject to two to five years' imprisonment.

2. When the acts specified in paragraph 1 relate to an amount of manufactured tobacco up to 15 conventional kilograms and if the aggravating circumstances specified in article 85 do not exist, they shall be punished by an administrative fine of €5 for each conventional gramme of product, but in all cases the fine shall be no less than €5,000.00.

3. If the amounts of contraband manufactured tobacco:

a) do not exceed 200 conventional grammes, the administrative fine is in all cases €500;

b) above 200 conventional grammes and up to 400 conventional grammes, the administrative fine is €1,000.00.

(Art. 85, Annex 1 to Legislative Decree no. 141/2024) Circumstances aggravating offence of smuggling manufactured tobacco

"1. If the acts specified in article 84 are committed using vehicles belonging to persons who are not parties to the offence, the penalty is increased.

2. In the case specified in article 84, a fine of €25 is imposed for each conventional gramme of product and a custodial sentence of three to seven years is imposed when:

a) in the commission of the offence or in conduct aiming to ensure the price, the proceeds, the profit or impunity from prosecution, the culprit uses weapons or it is ascertained that the culprit possessed weapons when committing the offence;

b) in the commission of the offence or immediately afterwards, the culprit is surprised together with two or more people in a condition that is such as to constitute an obstacle to police forces;

c) the act is connected to another offence against public trust or against the public administration;

d) in the commission of the offence, the culprit used vehicles whose official markings have been altered or modified to hinder the intervention of the police forces or cause a public safety hazard;

e) in the commission of the offence, the culprit has used personal partnerships or stock companies or has used financial assets however assembled in countries that have not ratified the Strasbourg Convention of 8 November 1990 on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime, and have not signed and ratified legal assistance conventions with Italy relating to the crime of smuggling".

(Art. 86, Annex 1 to Legislative Decree no. 141/2024) Criminal conspiracy to engage in smuggling manufactured tobacco

"1. When three or more people conspire to commit several offences of those specified in article 84 or article 40-bis of the consolidated legislative provisions regarding taxes on production and consumption and the relative penal and administrative sanctions specified in Legislative Decree no. 504 of 26 October 1995, also with reference to articles 62-quater, 62-quater.1, 62-quater.2 and 62-quinquies specified in the aforesaid consolidated act, those who promote, form, direct organise or fund the criminal conspiracy shall be subject for this fact alone to three to eight years' imprisonment.

2. All members of the criminal conspiracy are punishable by imprisonment for from one to six years.

3. The punishment is increased if the conspiracy has ten or more members.

4. If the criminal conspiracy is armed or the circumstances exist specified in article 85, paragraph 2, points d) or e) or in article 40-ter, paragraph 2, points d) or e) of the aforesaid consolidated act, specified in Legislative Decree no. 504 of 1995, also with reference to the products specified in articles 62-quater, 62-quater.1, 62-quater.2 and 62-quinquies of the consolidated act, a custodial sentence of five to fifteen years shall be imposed in the cases specified in paragraph 1 and from four to ten years in the cases specified in paragraph 2".

(Art. 87, Annex 1 to Legislative Decree no. 141/2024) No distinction between attempt to commit offence and committing offence

"1. All the offences falling under this Heading are subject to the same sentence, regardless of whether an attempt was made to commit the offence or the offence was actually committed".

(Art. 88, Annex 1 to Legislative Decree no. 141/2024) Circumstances aggravating the offence of smuggling

"1. The offences specified in articles 78 to 83 are subject to a fine that is increased by half if the culprit uses vehicles belonging to a party who is not a party to the offence to commit the smuggling offence.

2. For the offences specified in paragraph 1, a custodial sentence of three to five years is imposed in addition to the fine:

a) when, during the commission of the offence or immediately afterwards, the culprit is surprised armed in the monitored area;

b) when, during the commission of the offence or immediately afterwards, in the monitored area, three or more smugglers are surprised together and in such a condition to constitute an obstacle to the police forces;

c) when the act is connected to another offence against public trust or against the public administration;

d) when the culprit is part of a criminal conspiracy to commit smuggling offences and the offence committed is one of those for which the criminal conspiracy was set up;

e) when the amount of at least one of the customs fees due is above €100,000.00.

3. For the offences specified in paragraph 1, in addition to the fine, a custodial sentence of up to three years is imposed when the amount of at least one of the customs fees due, considered separately, is greater than €50,000.00 and not above €100,000.00".

(Art. 40, Legislative Decree no. 540/1995) Hiding from investigation or payment of excise duty on energy products

"1. A custodial sentence of between six months and three years and a fine that is ten times the evaded tax, in all cases not less than €7,746.00, is imposed on anyone who:

a) secretly produces or refines energy products;

b) hides by any means energy products, including natural gas, from investigation or payment of the excise duty;

c) uses tax-free products or products with reduced tax rates for purposes subject to tax or a higher tax rate;

d) performs unauthorised mixing from which products are obtained that are subject to excise duty above that paid on the single components;

e) regenerates denatured products to make it easier to use them and hide them in uses subject to higher tax;

f) holds denatured energy products in conditions other than those prescribed for entitlement to tax reductions;

g) holds or uses products obtained from clandestine production or unauthorised mixtures.

2. For the infringements specified in letters a) and d) of paragraph 1, the fine takes into account not only the products that have been finished overall but also those that could have been obtained from the raw materials being or waiting to be processed or which exist in the factory or on the premises on which the infringement was committed; and for the infringements of letter e), in addition to the products being regenerated or which have been regenerated overall, including those that have been suspended, also the denatured products found in the place in which the infringement was committed.

3. An attempt to commit the offence is subject to the same sentence as the committed offence. The production of products subject to excise duty ((by operations performed without any justified reason)) at different times from those declared in the work communication, if envisaged, is deemed to be an attempt to hide the product from investigation. Circulating the products specified in article 7-bis without good cause, without prior issuing of the product's excise duty code specified in article 7-bis or circulating the product on the basis of data that according to paragraph 3 of article 7-bis are untrue or circulating the product without

the excise duty code being validated by the Agency Department because the products have not been submitted to the Agency Department is also deemed to be an attempt to hide the product from investigation.

4. If the amount of energy products exceeds ((10,000 kilograms)) a custodial sentence of between one and five years is imposed, in addition to the fine.

5. If the amount of energy products, apart from natural gas, hidden from investigation or payment of the excise duty is less than 1,000 kilograms, an administrative fine that is twice to ten times the amount of evaded tax shall be imposed.

6. If the amount of natural gas, hidden from investigation or payment of the excise duty is less than 10,000 cubic metres, an administrative fine shall be imposed, the amount of which shall vary from twice to ten times the size of the evaded tax and in all cases the fine shall not be below €5,000.00."

(Art. 40-bis, Legislative Decree no. 540/1995) Hiding from investigation or payment of excise duty on manufactured tobacco

"1. Apart from the cases specified in article 84 of the Italian provisions complementing the Union Custom Code specified in the legislative decree issued pursuant to articles 11 and 20, paragraphs 2 and 3, of law no. 111 of 9 August 2023, anyone who hides by any manner or means from investigation or payment of excise duty the manufactured tobacco specified in Title I, Heading III.2 of this consolidated law shall be subject to two to five years' imprisonment.

2. An attempt to commit the offence is subject to the same sentence as the committed offence.

3. When the conduct specified in paragraph 1 relates to an amount of manufactured tobacco up to 15 conventional kilograms and if the aggravating circumstances specified in article 4-ter do not exist, it shall be punished by an administrative fine of €5 for each conventional gramme of product, as defined by article 39-quinquies. The administrative fine, without prejudice to the provisions of paragraph 4, cannot be less than €5,000.00.

4. If the amount of manufactured tobacco hidden from investigation or payment of excise duty is:

a) not above 200 conventional grammes, the administrative fine is €500.00;

b) above 200 conventional grammes and up to 400 conventional grammes, the administrative fine is €1,000,00.

5. If the quantity of manufactured tobacco hidden by any manner and means from the investigation or payment of the excise duty is not ascertained an administrative fine of at least €3,000.00 and at most €30,000.00 will be imposed, taking account of the type of conduct and the gravity of the act".

(Art. 40-quinquies, Legislative Decree no. 540/1995) Unauthorised sale of tobacco or purchase by persons not authorised to sell it.

"1. Anyone who, without the authorisation of the Customs Agency and the monopolies, sells or puts up for sale manufactured tobacco shall pay an administrative fine from €5,000.00 to €10,000.00. The penalty is reduced by from a third to a half if the amount of manufactured tobacco does not exceed 250g.

2. Anyone who purchases manufactured tobacco from a party who is not authorised to sell shall be subject to an administrative fine from €5,000.00 to €10,000.00. The penalty is reduced by from a third to a half if the amount of manufactured tobacco does not exceed 500g.

3. When the conduct specified in paragraphs 1 and 2 relates to an amount of manufactured tobacco respectively above 5 kilograms or above 10 kilograms, a one-year custodial sentence and a fine from €25.00 to €64.00 are imposed".

(Art. 41, Legislative Decree no. 540/1995) Clandestine production of alcohol and alcoholic beverages

"1. A custodial sentence of between six months and three years and a fine that is twice to ten times the evaded tax, in all cases not less than ((€7,746.00)), shall be imposed on anyone who secretly produces alcohol or alcoholic beverages. The fine is calculated not only on the basis of the products that have been finished but also on the basis of the products that could have been obtained from the raw materials being processed or waiting to be processed or which exist in the factory or on the premises in which the infringement took place.

2. Clandestine production is defined as production carried out on premises or with apparatuses that have not been previously reported or tested, or which are so built or altered that the product can be hidden from investigation. The parts of the equipment that are significant for the purposes of the test of clandestine production of alcohol are the distillery boiler, the receptacle for collecting the fusel oils (phlegm), the wine heater, the dephlegmator and the coolant.

3. Clandestine production is also proven by the mere presence on the same premises or adjoining premises of some of the raw materials required to prepare the products or apparatuses necessary for this preparation or part of the apparatuses before the factory or apparatuses have been reported to and tested by the (Department of the Customs Agency responsible for geographical area)).

4. If only the apparatuses or part of the apparatuses have not been reported or tested but the raw materials or products are not also present, an administrative fine is imposed ((€258.00 to €1,549.00)).

5. Anyone who builds, sells or in any way uses a distillation apparatus or part thereof without reporting it beforehand shall be subject to the penalty specified in paragraph 4".

(Art. 42, Legislative Decree no. 540/1995) Conspiracy for the clandestine production of alcohol and alcoholic beverages

1. When three or more persons conspire to manufacture alcohol or alcoholic beverages in a clandestine manner, each of them shall be subject from three to twelve months' imprisonment for the sole offence of conspiracy.

(Art. 43, Legislative Decree no. 540/1995) Hiding from investigation and payment of the excise duty on alcohol and on alcoholic beverages

"1. A custodial sentence of between six months and three years and a fine that is ten times the evaded tax, in all cases not less than €7,746.00, is imposed on anyone who:

a) by any means hides alcohol or alcoholic beverages from investigation or payment of excise duty;

b) holds denatured alcohol in conditions other than those prescribed or uses it for purposes other than those for which exemption was granted.

2. An attempt to commit the offence is subject to the same sentence as the committed offence. The production of alcoholic products subject to excise duty ((by operations performed without any justified reason)) at different times from those declared in the work communication, if envisaged, is deemed to be an attempt to hide the product from investigation.

3. The operator of the factory or deposit in which the infringement specified in paragraph 1 point b) was committed is deprived of the granted exemption for two years.

4. Apart from the cases covered by paragraph 1, point b), anyone who holds alcohol and alcoholic products in other conditions than those prescribed is subject to a fine that is from twice to ten times the size of the evaded tax, in all cases no less than €5,000.00 and no more than €50,000.00".

(Art. 46, Legislative Decree no. 540/1995) Altering devices, prints and markings

"1. Anyone shall be subject to between one to five years' imprisonment if, in order to hide the product from investigation:

a) counterfeits, alters, removes, damages or puts out of commission gauges, seals, duty stamps, punches, test marks or other devices, prints or markings prescribed by the financial administration or placed by the Guardia di Finanza (Italian Financial Police);

b) uses seals, duty stamps, punches, test marks or other prints or markings prescribed by the financial administration or placed by the Guardia di Finanza that are counterfeit or altered or unauthorised.

2. Anyone who possesses without authorisation devices, seals, duty stamps or punches that are identical to those used by the financial administration or by the Guardia di Finanza, shall, even if they are counterfeit, be subject to from one to six months' imprisonment. A custodial sentence of a month to a year is imposed if the offence is committed by a manufacturer.

3. The manufacturer who, without committing the offences specified in paragraphs 1 and 2, has facilitated the commission of such offences by failing to exercise the necessary caution in the safekeeping of the gauges and the other devices shall be subject to an administrative fine ((€258.00 to €1,549.00)).

4. In the cases specified in paragraphs 1 and 2, where the act has resulted in tax evasion, the penalties specified in articles 40 and 43 may be applied".

(Art. 47, Legislative Decree no. 540/1995) Shortfalls and excesses in storage and circulation of products subject to excise duty

"1. An administrative fine is imposed that is twice or three times the relative excise duty if shortfalls are detected in an inspection of a facility for products subject to excise duty if the shortfall is more than the 2 percent decrease permitted. In the case of denatured products, if the shortfall is more than one percent above the permitted decrease, the business owner is punished with an administrative fine from €5,000.00 to €10,000.00 regardless of payment of the higher rate of excise duty on the product. If the shortfall is more than 10 percent above the permitted decrease, the penalties for attempting to evade excise duty on the product are imposed.

2. For excess products in a facility for products subject to excise duty and for excess denatured products that do not fall within the limits of the permitted tolerances, or which are not justified by the prescribed documentation, the penalties are imposed that are set for hiding products from investigation or payment of excise duty unless proof is provided of the legitimate origin of the products and of payment of any tax due.

3. For shortfalls of transported products subject to excise duty that are ascertained upon arrival at a facility for products subject to excise duty, an administrative fine is imposed varying from a tenth to the entire amount of the tax on the missing quantity beyond the aforesaid permitted decrease unless the financial administration has good grounds to deem that the circulation of the products specified in this paragraph was fraudulent or improper, in which case the aforesaid penalty is imposed for the tax liability for the entire missing amount. If the shortfall is more than 10 percent above the permitted decrease, the penalties for attempting to evade excise duty on the product are imposed. Total excesses are calculated.

4. The fines specified in paragraphs 1 and 3 are not imposed if proof is supplied that the missing product was permanently lost or destroyed.

5. For differences in the quality or quantity of products subject to excise duty intended for export and those listed in the declaration submitted to obtain the excise duty credit or reimbursement, the administrative fine is imposed that is specified by paragraphs 1 and 2 of article 96 of the Italian provisions complementing the Union Custom Code specified in the legislative decree issued pursuant to articles 11 and 20, paragraphs 2 and 3, of law no. 111 of 9 August 2023, calculated on the unduly reimbursed sum or sum for which reimbursement was unduly claimed.

5-bis. The provisions of this article do not apply to manufactured tobacco".

(Art. 49, Legislative Decree no. 540/1995) Circulation irregularities

"1. Products subject to excise duty shall be deemed to be of illicit origin even if intended for uses that are not subject to excise duty or subject to reduced rates of excise duty, apart from manufactured tobacco, wine and fermented beverages other than wine and beer, if the products subject to excise duty are transported without the specific excise duty documentation, or transported with a false or altered document or document that does not allow the parties to be identified who are concerned by the transport operation, the goods or the actually transported amount. In such cases, the penalties set for hiding the product from investigation or payment of the excise duty shall be imposed on the haulier and consignor.

2. In the cases specified in paragraph 1, if proof of the legitimate origin of the products and proof of payment of the tax is provided, an administrative fine from €516.00 to €3,098.00 is imposed, but decreases of deposited products are subject to the penalties specified in this consolidated law.

3. The provisions of paragraphs 1 and 2 do not apply if the transported products differ quantitatively from the data found in the computerised system or from the documents that accompany the products by no more than one percent in excess of current customs rules or by no more than 2 percent below current customs rules.

4. If the prescribed circulation documentation is incorrect or differs from the prescriptions of paragraph 1, the administrative fine specified in paragraph 2 shall be imposed on the consignor. This penalty is imposed on the haulier who does not comply with prescriptions.

5. The administrative fines specified in paragraphs 2 and 4 are also imposed for the infringements specified in the paragraphs dealing with the transfers of the products specified in article 21, paragraph 3. Unless proof is provided that the product was intended for other uses than those subject to tax, the offence specified in paragraph 1 shall be deemed to have been committed; the evaded tax is calculated on the basis of the tax bracket indicated in article 21, paragraph 2.

6. If it is ascertained that the documents specified in article 1.1 of Presidential Decree no. 637 of 6 October 1978 have been used as the specific documents accompanying the products subject to excise duty, the penalties specified in this article shall be applied instead of the penalties specified in the decree.

7. The penalties prescribed by current regulations for irregularities in the documentation prescribed for the circulation of wine or fermented beverages other than wine and beer are imposed even if these documents are specific to the products subject to excise duty".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*sexiesdecies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Smuggling offences (articles. 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88 of Annex 1 to Leg. Decree no. 141/2024)	▪ up to two hundred quotas. ▪ up to four hundred quotas if the taxes or duties exceed €100,000.00	• ban on contracting with the public administration; • disqualification from facilitations, loans, grants or subsidies and the revocation of any already granted; • ban on advertising goods and services • disqualification from exercising the activity and suspension or revocation of authorisations, licences or concessions instrumental to the commission of

Offence	Fines	Debarment
		the offence if the taxes or duties exceed €100,000.00
• Offences relating to taxes on production and consumption (articles 40, 40-bis, 40-*quinquies*, 41, 42, 43, 45, 46, 47, 49, Legislative Decree no. 504/1995)	▪ up to two hundred quotas. ▪ up to four hundred quotas if the taxes or duties exceed €100,000.00	• ban on contracting with the public administration; • disqualification from facilitations, loans, grants or subsidies and the revocation of any already granted; • ban on advertising goods and services • disqualification from exercising the activity and suspension or revocation of authorisations, licences or concessions instrumental to the commission of the offence if the taxes or duties exceed €100,000.00

Art. 25-septiesdecies – Offences against the cultural heritage

Theft of cultural assets (Art. 518-bis of the Italian Criminal Code)

"Anyone who takes possession of a movable cultural asset belonging to others by stealing it from its holder for purposes of gain for themself or others, or who takes possession of cultural assets belonging to the State discovered underground or on the seabed, is punishable by imprisonment for from two to six years and a fine of from €927.00 to €1,500.00.

The punishment is imprisonment for from four to ten years and a fine of from €927.00 to €2,000.00 if one or more of the aggravating circumstances envisaged by the first paragraph of article 625 apply, or if the theft of cultural assets belonging to the State, discovered underground or on the seabed, is committed by a person who has been awarded legal permission to search for the said assets".

Misappropriation of cultural assets (Art. 518-ter of the Italian Criminal Code)

"Anyone who, for the purpose of unlawful gain for themself or others, takes possession of a cultural asset belonging to someone else which is in their possession for any reason is punishable by imprisonment for a period of between one and four years and a fine of from €516.00 to €1,500.00.

The penalty is increased when the offence is committed with regard to articles held on deposit due to force of circumstances".

Receiving stolen cultural assets (Art. 518-quater of the Italian Criminal Code)

"Except in the case of complicity in the crime, anyone acquiring, receiving or concealing cultural assets derived from any offence, or involved in the acquisition, receipt or concealment of the same, in order to obtain gain for themself or others, is punishable by imprisonment for from four to ten years and a fine from €1,032.00 to €15,000.00.

The punishment is increased if the offence relates to cultural assets deriving from aggravated robbery pursuant to article 628, paragraph 3 and aggravated extortion pursuant to article 629, paragraph 2.

The provisions of this article are applied even if the person who committed the offence from which the cultural assets originated cannot be charged or punished, or if there are procedural reasons preventing the prosecution of this crime".

Forgery of private agreements relating to cultural assets (Art. 518-octies of the Italian Criminal Code)

"Anyone who forges the whole or part of a private agreement, or modifies, destroys, suppresses or conceals a true private agreement relating to movable cultural assets in order to make their provenance appear lawful, is punishable by imprisonment for from one to four years.
Anyone who makes use of a private agreement as per the first paragraph, without having helped to write or forge it, is punishable by imprisonment for from eight months to two years and eight months."

Offence with regard to the disposal of cultural assets (Art. 518-novies of the Italian Criminal Code)

"Punishment comprising imprisonment for from six months to two years and a fine of between €2,000.00 and €80,000.00 will be enforced on:

1) anyone who disposes of cultural assets or places them on the market without the necessary authorisation;

2) anyone who is obliged to report the transfer of ownership or possession of cultural assets and who fails to do so within the permitted thirty day term;

3) anyone who disposes of a cultural asset subject to a first option right who hands over the item before the expiry of the term of sixty days after the date of receipt of the notification of transfer."

Unlawful importation of cultural assets (Art. 518-decies of the Italian Criminal Code)

"Anyone, except in cases of complicity in the offences envisaged by articles 518-quater, 518-quinquies, 518-sexies and 518-septies, who imports cultural assets obtained by criminal means or further to digs undertaken without authorisation when required by the legislation of the State in which the find was made, or exported from another State in breach of the legislation which protects the cultural heritage of the said State, is punished by imprisonment for from two to six years and a fine of from €258.00 to €5,165.00."

Unlawful shipment abroad or exportation of cultural assets (Art. 518-undecies of the Italian Criminal Code)

"Anyone who transfers abroad cultural assets, items of artistic, historic, archaeological, ethno-anthropological, bibliographical, documentary or archival interest, or other items covered by specific protective measures under legislation on cultural assets, without a free circulation certificate or export licence, is punishable by imprisonment for from two to eight years and a fine of up to €80,000.00.

The punishment envisaged in the first paragraph also applies to anyone who does not ensure that cultural assets, items of artistic, historic, archaeological, ethno-anthropological, bibliographical, documentary or archival interest, or other items covered by specific protective measures under legislation on cultural assets, for which temporary shipment abroad or exportation has been authorised, return to Italy on expiry of the permitted term, and to anyone who issues false declarations in order to prove to the competent exportation office that items of cultural interest do not legally require authorisation in order to leave the country."

Destruction, dispersal, damaging, disfigurement, vandalising or unlawful use of cultural or landscape assets (Art. 518-duodecies, Italian Criminal Code)

"Anyone who destroys, disperses, damages or renders totally or partially unusable, where applicable, or not accessible, cultural or landscape assets belonging to themself or others is punishable by imprisonment for from two to five years and a fine of from €2,500.00 to €15,000.00.

Anyone who, except in the cases covered by the first paragraph, disfigures or vandalises cultural or landscape assets belonging to themself or others, or uses cultural assets for a purpose incompatible with their historic or artistic character, or which is detrimental for their conservation or condition, is punishable by imprisonment for from six months to three years and a fine of from €1,500.00 to €10,000.00.

The sentence may be suspended on condition that the places concerned are restored to their previous state or the harmful or dangerous consequences of the offence are eliminated, or that the offender performs community service for a specified period not exceeding the duration of the suspended sentence, by the procedures specified by the judge at the time of sentencing."

Counterfeiting of artworks (Art. 518-quaterdecies of the Italian Criminal Code)

"Punishment comprising imprisonment for from one to five years and a fine of from €3,000.00 to €10,000.00 will be enforced on:

1) anyone who counterfeits, forges or copies a painting, sculpture or print, an antique or an item of historic or archaeological interest;

2) anyone who, even if not an accomplice to the counterfeiting, forging or copying, offers for sale, possesses for the purpose of sale, brings into the country for that purpose or in any way places in circulation, as authentic, counterfeit, forged or copied paintings, sculptures or prints, antiques or objects of historic or archaeological interest;

3) anyone who, being aware that they are fake, authenticates counterfeit, forged or copied objects as per points 1) and 2);

4) anyone who, being aware that they are fake, authenticates or helps to authenticate counterfeit, forged or copied objects as per points 1) and 2) through any other declarations, expert opinions, publications, the application of stamps or labels or

by any other means.

The counterfeit, forged or copied works or objects referred to in the first paragraph are always confiscated, unless they are the property of people not implicated in the offence. The sale of the confiscated items in auctions of the proceeds of offence is prohibited indefinitely."

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*septiesdecies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Offences with regard to the disposal of cultural assets (Art. 518-novies of the Italian Criminal Code)	From 100 to 400 quotas.	For a period not exceeding two years, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Misappropriation of cultural assets (Art. 518-ter of the Italian Criminal Code) • Unlawful importation of cultural assets (Art. 518-decies of the Italian Criminal Code) • Unlawful shipment abroad or exportation of cultural assets (Art. 518-undecies of the Italian Criminal Code)	From 200 to 500 units.	For a period not exceeding two years, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; ban on advertising goods or services.
• Destruction, dispersal, damaging, disfigurement,	From 300 to 700 quotas.	• For a period not exceeding two years, all the debarment

Offence	Fines	Debarment
vandalising or unlawful use of cultural or landscape assets (Art. 518-duodecies of the Italian Criminal Code) • Counterfeiting of artworks (Art. 518-quaterdecies of the Italian Criminal Code)		measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.
• Theft of cultural assets (Art. 518-bis of the Italian Criminal Code) • Receiving stolen cultural assets (Art. 518-quater of the Italian Criminal Code) • Forgery of private agreements relating to cultural assets (Art. 518-octies Italian Criminal Code)	From 400 to 900 quotas	• For a period not exceeding two years, all the debarment measures envisaged by art. 9, paragraph 2 of the Decree: • debarment from business; • suspension or revocation of authorisations, licences or concessions which have enabled the commission of the offence; • ban on negotiating with the Public Administration except in order to obtain public services; • disqualification from facilitations, loans, grants or subsidies and the possible revocation of any already granted; • ban on advertising goods or services.

Art. 25-duodevicies - Laundering of cultural assets and devastation and plundering of cultural and landscape assets

Laundering of cultural assets (Art. 518-sexies of the Italian Criminal Code)

"Except in the case of complicity in the crime, anyone who substitutes or transfers cultural assets which are the proceeds of a criminal offence, or who carries out other operations in relation to these items in such a way as to conceal their criminal origins, is punishable by imprisonment for from five to fourteen years and a fine of from €6,000.00 to €30,000.00.

The punishment is reduced if the cultural assets originate from crime punishable by less than five years' imprisonment.

The provisions of this article are applied even if the person who committed the offence from which the cultural assets originated cannot be charged or punished, or if there are procedural reasons preventing the prosecution of this crime".

Devastation and plundering of cultural and landscape assets (Art. 518-terdecies of Italian Criminal Code)

"Anyone who, outside the cases covered by article 285, devastates or plunders cultural or landscape assets or cultural institutions and locations is punishable by imprisonment for from ten to sixteen years".

***

The table below summarises the punishments to which the organisation is liable with regard to the offences covered by article 25-*duodevicies* of the Decree, in the event that their commission by members of its senior management and/or their subordinates results in a benefit or advantage for the organisation.

Offence	Fines	Debarment
• Laundering of cultural assets (Art. 518-sexies of the Italian Criminal Code) • Devastation and plundering of cultural and landscape assets (Art. 518-terdecies of Italian Criminal Code)	From 500 to 1000 quotas.	• If an organisation or one of its organisational units is used on a permanent basis for the sole or main purpose of allowing or facilitating the commission of these crimes, permanent debarment from business as per article 16, paragraph 3 of the Decree shall be applied.

Article 34 of Legislative Decree no. 129 of 5 September 2024 "Organisation liability"

1. The organisation is subject to an administrative fine from €30,000 up to €15 million or, if greater, up to 15 percent of total annual turnover if the prohibition specified in articles 89, 90 and 91 of regulation (EU) 2023/1114 has been infringed, in the interests or to the advantage of the organisation:

a) by persons with the status of representatives, directors or managers of the organisation or one of its financially and functionally independent organisational units, and persons exercising even the de facto management and control of the organisation;

b) by persons under the direction or supervision of one of the parties referred to in point a).

2. Paragraphs 3 and 4 of Article 32 shall apply.

3. The organisation is not responsible if it proves that the persons referred to in paragraph 1 acted solely in their own interest or that of third parties.

4. With regard to the offences referred to in paragraph 1, the provisions of articles 6, 7, 8 and 12 of Legislative Decree no. 231 of 8 June 2001 shall apply to extent that they are compatible. After consulting Consob, the Ministry of Justice issues the observations envisaged by article 6 of Legislative Decree no. 231 of 8 June 2001 with regard to the offences covered by this section.

***

Article 89, Reg. (EU) 2023/1114, Prohibition of insider dealing

1. For the purposes of this Regulation, insider dealing shall be deemed to arise where a person possesses inside information and uses that information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, crypto-assets to which that information relates. The use of inside information by cancelling or amending an order concerning a crypto-asset to which the information relates where the order was placed before the person concerned possessed the inside information, shall also be considered to be insider dealing. The use of inside information shall also comprise submitting, modifying or withdrawing a bid by a person for its own account or for the account of a third party.

2. No person shall engage or attempt to engage in insider dealing or use inside information about crypto-assets to acquire, or dispose of, those crypto-assets, directly or indirectly, whether for that person's own account or for the account of a third party. No person shall recommend that another person engage in insider dealing or induce another person to engage in insider dealing.

3. No person in the possession of inside information about crypto-assets shall, based on that inside information, recommend or induce another person:

(a) to acquire or dispose of those crypto-assets; or

(b) to cancel or amend an order concerning those crypto-assets.

4. The use of a recommendation or inducement as referred to in paragraph 3 amounts to insider dealing within the meaning of this Article where the person using that recommendation or inducement knows or ought to know that it is based on inside information.

5. This article applies to any person who possesses inside information as a result of:

(a) being a member of the administrative, management or supervisory bodies of the issuer, the offeror, or the person seeking admission to trading;

(b) having a holding in the capital of the issuer, the offeror, or the person seeking admission to trading;

(c) having access to the information through the exercise of an employment, profession or duties or in relation to its role in the distributed ledger technology or similar technology; or

(d) being involved in criminal activities.

This article also applies to any person who possesses inside information under circumstances other than those referred to in the first subparagraph where that person knows or ought to know that it is inside information.

6. Where person as referred to in paragraph 1 is a legal person, this article shall apply, in accordance with national law, to the natural persons who participate in the decision to carry out the acquisition, disposal, cancellation or amendment of an order for the account of the legal person concerned.

Article 90, Reg. (EU) 2023/1114,, Prohibition of unlawful disclosure of inside information

1. No person in possession of inside information shall unlawfully disclose inside information to any other person, except where such disclosure is made in the normal exercise of an employment, a profession or duties.

2. The onward disclosure of recommendations or inducements referred to in article 89(4) amounts to unlawful disclosure of inside information where the person disclosing the recommendation or inducement knows or ought to know that it was based on inside information.

Article 91, Reg. (EU) 2023/1114, Prohibition of market manipulation

1. No person shall engage in or attempt to engage in market manipulation.

2. For the purposes of this Regulation, market manipulation shall comprise any of the following activities:

a) unless carried out for legitimate reasons, entering into a transaction, placing an order to trade or engaging in any other behaviour which:

(i) gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a crypto-asset;

(ii) secures, or is likely to secure, the price of one or several crypto-assets at an abnormal or artificial level;

b) entering into a transaction, placing an order to trade or any other activity or behaviour which affects or is likely to affect the price of one or several crypto-assets, while employing a fictitious device or any other form of deception or contrivance;

c) disseminating information through the media, including the internet, or by any other means, which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of one or several crypto-assets, or secures or is likely to secure, the price of one or several crypto-assets, at an abnormal or artificial level, including the dissemination of rumours, where the person who engaged in the dissemination

knew, or ought to have known, that the information was false or misleading.

3. The following behaviour shall, inter alia, be considered market manipulation:

a) securing a dominant position over the supply of, or demand for, a crypto-asset, which has, or is likely to have, the effect of fixing, directly or indirectly, purchase or sale prices or creates, or is likely to create, other unfair trading conditions;

b) the placing of orders to a trading platform for crypto-assets, including any cancellation or modification thereof, by any available means of trading, and which has one of the effects referred to in paragraph 2, point (a), by:

i) disrupting or delaying the functioning of the trading platform for crypto-assets or engaging into any activities that are likely to have that effect;

ii) making it more difficult for other persons to identify genuine orders on the trading platform for crypto-assets or engaging into any activities that are likely to have that effect, including by entering orders which result in the destabilisation of the normal functioning of the trading platform for crypto-assets;

iii) creating a false or misleading signal about the supply of, or demand for, or price of, a crypto-asset, in particular by entering orders to initiate or exacerbate a trend, or engaging into any activities that are likely to have that effect;

c) taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a crypto-asset, while having previously taken positions on that crypto-asset, and profiting subsequently from the impact of the opinions voiced on the price of that crypto-asset, without having simultaneously disclosed that conflict of interest to the public in a proper and effective way.

Annex B - Reference Documents

ID	'Risk' areas	Applicable internal procedural rules
1	Negotiation and signing of contracts with the Public Administration	Procedure P111 - Management of sales and tenders; Procedure P110 - Procurement management; Instruction I255 - Registering initiatives and preparing offers Regulation D314 - Commercial Strategy; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports; Procedure P146 - Managing Gifts, Entertainment and Hospitality Expenses.
2	Implementation of contracts with the Public Administration	Procedure P115 - Project Management; Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Procedure P111 - Management of sales and tenders; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports; Procedure P146 - Managing Gifts, Entertainment and Hospitality Expenses.
3	Management of public funds or government-supported loans	Procedure P120 - Human resources management; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports.
4	Management of relations with the Public Administration and Supervisory Authorities	Procedure P132 - Managing relations with the Public Administration, Supervisory Authorities and private counterparties; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports.
5	Management of relations with public and private certifying bodies	Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports;
6	Management of relations with financial and insurance institutions and	Regulation D310 - Salcef Group Code of Ethics and Conduct

ID	'Risk' areas	Applicable internal procedural rules
	operators, and rating agencies	Procedure P141 – Procedure for the internal management and external disclosure of inside information.
7	Management of disputes and relations with the Judicial Authority	Procedure P158 - Litigation management; Procedure P120 - Human resources management; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports;
8	Management of tax obligations	Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Regulation D310 - Salcef Group Code of Ethics and Conduct; Procedure P169- Management of tax obligations; Procedure P156 - Corporate Planning and Control Activities.
9	Management of professional consultancy and service contracts	Procedure P110 - Procurement management; Instruction I213 - Supplier qualification and assessment; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports.
10	Staff selection, hiring, employment, evaluation and remuneration	Procedure P120 - Human resources management; Instruction I245 - Selection of incoming staff; Regulation D310 - Salcef Group Code of Ethics and Conduct Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports.
11	Personnel administration, management of missions and expense reimbursement	Procedure P120 - Human resources management;; Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Regulation D310 - Salcef Group Code of Ethics and Conduct Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System Procedure P145 - Managing Whistleblowing Reports
12	Financial and Treasury Management	Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Regulation D310 - Salcef Group Code of Ethics and Conduct; Procedure P156 - Corporate Planning and Control Activities.
13	Managing gifts, hospitality and entertainment expenses	Regulation D310 - Salcef Group Code of Ethics and Conduct Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports;

ID	'Risk' areas	Applicable internal procedural rules
		Procedure P146 - Managing Gifts, Entertainment and Hospitality Expenses.
14	Planning and Control	Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Regulation D310 - Salcef Group Code of Ethics and Conduct; Procedure P156 - Corporate Planning and Control Activities.
15	General accounting, financial statements and other corporate communications	Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Instruction I247 - Requests for access to IT systems; Regulation D310 - Salcef Group Code of Ethics and Conduct; Procedure P139 - Managing transactions with related parties of Salcef Group S.p.A.; Procedure 141 – Procedure for the internal management and external disclosure of inside information. Procedure P142 - Procedure concerning Internal Dealing; Procedure P156 - Corporate Planning and Control Activities.
16	Procurement of goods, works and services	Instruction I213 - Supplier qualification and assessment ; Regulation D310 - Salcef Group Code of Ethics and Conduct; Procedure P110 - Procurement management; Regulation D343 - Regulations of Salcef Group Supplier Qualification System; Regulation D336 – Suppliers' Code of Conduct.
17	Management of transactions with Related Parties and intra-group relations	Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Procedure P139 - Managing transactions with related parties of Salcef Group S.p.A..; Regulation D310 - Salcef Group Code of Ethics and Conduct;
18	Management of ordinary and extraordinary transactions	Regulation D310 - Salcef Group Code of Ethics and Conduct.
19	Company's obligations management	Regulation D310 - Salcef Group Code of Ethics and Conduct.
20	Negotiation and stipulation of contracts with private subjects	Procedure P111 - Management of sales and tenders; Procedure P110 - Procurement management ; Instruction I255 - Registering initiatives and preparing offers Regulation D314 - Commercial Strategy; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports;

ID	'Risk' areas	Applicable internal procedural rules
		Procedure P146 - Managing Gifts, Entertainment and Hospitality Expenses.
21	Implementation of contracts with private subjects	Procedure P110 - Procurement management ; Instruction I211 - Writing and managing work schedules; Regulation D373 - System of financial reporting controls pursuant to Law 262/05; Procedure P111 - Management of sales and tenders; Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D301 - Salcef Group Integrated Policy; Procedure P144 - Managing Corruption Prevention System; Procedure P145 - Managing Whistleblowing Reports; Procedure P146 - Managing Gifts, Entertainment and Hospitality Expenses. Regulation D332 - Salcef Group Policy on Human Rights Regulation D333 - Policy on Diversity, Equality and Inclusion
22	Management of communication and relations with the media	Regulation D310 - Salcef Group Code of Ethics and Conduct; Procedure P141 – Procedure for the internal management and external disclosure of inside information.
23	Management of environmental matters	Integrated Report; Regulation D310 - Salcef Group Code of Ethics and Conduct; Instruction I271 – Waste Management; Regulation D301 - Salcef Group Integrated Policy; Regulation 302 - Scope and Context of the Integrated Management System.
24	Management of health and safety at work	Regulation D301 - Salcef Group Integrated Policy; Regulation D302 - Scope and Context of the Integrated Management System. Regulation D310 - Salcef Group Code of Ethics and Conduct; Regulation D322 - Risk Assessment Document (RAD); Regulation D323 - Work-Related Stress Risk Assessment; Regulation D316 - Fire Risk Assessment; Procedure P120 - Human resources management; Instruction I205 - PPE Catalogue and Management Instruction I280 - Road Safety and Emergency Management Regulation D326 - Risk Assessment for Manual Handling of Loads Regulation D345 - Electromagnetic Field Risk Assessment Regulation D318 - Chemical Risk Assessment Regulation D319 - Vibration Risk Assessment Regulation D320 - Noise Risk Assessment Regulation D321 - Electrical Risk Assessment

ID	'Risk' areas	Applicable internal procedural rules
25	Information system management	Regulation D331 - Policy for the Use of the Salcef Group IT System Instruction I212 - Disaster Recovery Manual; Instruction I259 - Backups, Automatic Batches and Disaster Recovery; Instruction I224 - Use of Corporate ownCloud; Instruction I239 - ICT Change Management; Instruction I258 - Access to the Data Processing Centre; Instruction I247 - Requests for access to IT systems; Instruction I260 - Use of Salcef Management Interface; Regulation D310 - Salcef Group Code of Ethics and Conduct; With reference to personal data processing and management: Procedure P137 – Salcef Group Data Protection Management; Procedure P120 - Human resources management; Regulation D331 - Policy for the Use of the Salcef Group IT System.

The latest version of the above listed documents is available in the company ERP MY SALCEF.

Salcef Group S.p.A.

VAT No.: IT12612601000 –
Tax Code: Register of Economic and Administrative Information (REA) no.: RM 1387900

Registered Office
Via di Salaria, 1027 - 00138, Roma, Italia
Tel. +3906416281 - Fax +390641628888
Mail: salcef@salcef.com – PEC: salcefspa@pec.it

Reproduction is prohibited. All rights reserved No part of this document may be reproduced or disseminated by any means without the consent of Salcef Group S.p.A.