

# ORGANIZATION, MANAGEMENT and CONTROL MODEL

Legislative Decree June 8, 2001 no. 231

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## **1. Definitions**

**Corporate Governance:** Corporate Governance or Internal Control System is a set of rules (laws, regulations, corporate procedures, and so on) regulating the corporate management. The CG includes also the relations among the various parties involved (stakeholders) and the purposes for which the company is managed. The main parties are shareholders, management and Board of Directors.

**Sensitive Activities:** Step in a process indicating risk-prone activities.

**Code of Ethics (CE):** Code of Conduct adopted in performing its activities and business. The Code uses as guidelines corporate laws, regulations and protocols. The CE establishes for all employees, administrators, partners and suppliers the basic rules of behaviour based on fairness, honesty, transparency and confidentiality, and respect and protection of environment, as well as health and safety of workers and of the community within which the Enterprise operates.

**Compliance:** It is the compliance of corporate business with laws, regulations, procedures and codes of conduct. The *Corporate Compliance* is a preventive action aiming at preventing the risk of non-compliance of the company with laws and regulations, suggesting appropriate corrections, if any misalignment is found.

**Consultants:** Individuals acting in name of/on behalf of the Company, under a contract of professional collaboration.

**Employees:** Employees of the Company, whose relationship is regulated by a temporary or permanent employment contract.

**Legislative Decree No. 231/2001:** Legislative Decree No. 231/2001 establishes the administrative liability of Institutions for crimes committed by directors, executives and/or employees to their own advantage.

It is therefore addressed to: Institutions with legal personality, companies with legal personality and associations even with no legal personality. Exceptions are the State, local Authorities and Institutions with constitutional functions. The company's liability is excluded in case the individual has committed the crime to his/her own advantage or for the benefit of third parties. The Decree provides also that each company can not incur in administrative offence adopting and respecting the corporate Organization and Management Model and establishing a Supervisory Body which effectively implements the compliance with the Model.

**Legal Person:** It is an organized group of persons and goods to which legal system gives legal capacity (ability of a person to have rights and obligations) making it a legal entity.

**Entity:** It indicates the Legal Company and private organizations which haven't been recognized and are legal persons (the so-called authorities, such as political parties and trade unions).

The same is applied to public organization without legal personality, but which are part of a broader Public Body with some autonomy. When the system attributes to institutions having no legal personality a certain fiscal autonomy, they can be considered as legal subjects.

**Types of offences:** It is the type of crime identified by Legislative Decree 231/2001 and subsequent amendments and/or amendments "not applicable to the State, to local Authorities and to any other public and non-economic institution playing significant constitutional roles".

**Insider Trading:** Anglo-Saxon term indicating the illegal practice of using confidential information or not yet released to the market in order to perform speculative transactions on the Stock Exchange, thus making profit illicitly in stock sale. The Insider Trading is prohibited and regulated by Law No. 157/1992 and subsequent amendments.

**Guidelines (GL):** Confindustria Guidelines provide the guidelines that a Company may use for creating its own Model. The GL are approved in advance by the Ministry of Justice. The first issue of GL was on 7th March 2002; its update was issued on March 31, 2008.

**Organization and Management Model (MO):** The Organization and Management Model includes:

- a Code of Ethics which is the code of conduct adopted by the Company that, by listing the ethical principles, is also a foreword to the Model;
- an organization chart indicating Management and executives in top position and all the other individuals as subordinated (employees and contractors);
- a risk analysis (through process mapping and analysis of each risk-prone area, identifying offices and functions which direct the business activities);
- a formulation of binding corporate instructions (procedures identifying tasks, liabilities and related controls);
- the identification of a Supervisory Body (SB) monitoring the Model application;
- the identification and planning of preventive control (audit plans);
- the identification of a disciplinary system for non-compliance of the CE and of the Model.

**OHSAS 18001:** Regulation that supports companies in planning goals and policies for Workers' Safety and Health (Italian SSL) according to regulations in force and on the basis of dangers and risks likely to be present in the workplace.

**Corporate Bodies:** Board of Directors, Board of Statutory Auditors.

**Supervisory Body (SB):** Body of a company, appointed by the Board of Directors and endowed with powers of initiative and control which is entrusted with the task of supervising implementation and compliance with the CE and the Model and its updating and diffusion (pursuant to Legislative Decree 231/2001 and GL).

**Special Section:** Guide, part of the Organizational Model, on crimes pursuant to Legislative Decree 231/2001 and on potential risk-prone business areas at the time of adoption of the present Organization Model.

**Staff:** Employees, members of the Board of Directors, members of the Board of Statutory Auditors, members of SB.

**Attorneys:** Persons to whom the Company has granted powers for management purposes; they have commitments for the Company with any third parties.

**Public Administration (PA):** The P.A. consists of public and/or private bodies dealing with public services, public enterprises and public law bodies that have to operate, in relation to the scope of activities, performing public functions.

**Public official (Article 357 Criminal Code.):** according to criminal regulation, public officials are subjects exercising a legislative, judicial or administrative function. Administrative function is regulated by public law and authorization acts and is characterized by the expression of government will or authorization and certification power. Broadly speaking the concept of Public Body or Public Official also includes subjects (and consequently individuals belonging to them) that carry out public utilities (Enel, Telecom, Municipal Utilities, and so on) even though regulated by private law.

**Crimes:** Types of crimes described in Legislative Decree 231/2001 and subsequent amendments.

**Reg. CE 761/01 EMAS:** It stands for *Environmental Management and Audit Scheme*, or "Eco-Management System and Eco-Environmental Audit".

**Risks:** The combination of the probability of an event and its consequences. Business processes aim at managing in an integrated way the risks and their analysis must be referred to a general model of risk business which must be detailed and personalized according to the specific company. Generally speaking, the most recurrent risks can be classified into management risks (contractual commitments), strategic risks (organizational structure, joint ventures, alliances, etc.), financial risks (fiscal management, money laundering, payments, etc.) and external risks (laws and regulations, competition, etc.).

**SA 8000:** SA 8000 norm (Social Accountability) is an International standard, developed in 1997 by the American institution SAI, which contains the social requirements of organizations that voluntarily provide an ethic guarantee of its "supply chain" and production cycle. SA 8000 is based on ILO conventions, the universal Declaration of Human Rights and on United Nations Conventions.

**Apical subjects:** All those individuals who represent, administrate and manage the Company or one of its companies endowed with financial and functional autonomy as well as individuals who manage and control the Company.

**Stakeholders:** All those individuals who work in cooperation with the company. Among these Shareholders, Employees and Partners, Customers, Suppliers, Lenders, Competitors, the State, Public Authorities and the community.

**UNI EN ISO 14001:** The norm is an International standard which specifies the requirements for an environmental management system. It is issued by an independent body that verifies the concrete commitment to minimize the environmental impact of processes, products and services, certifying the reliability of the applied Environment Management System with the brand ISO 14001.

## **2. Introduction**

In 2004 Sofinter S.p.A. voluntarily agreed upon what established by Italian Legislative Decree no. 231 of June 8, 2001, by adopting the Code of Ethics and the Organization, Management and Control Model (hereinafter the Model).

In 2008 the Model has been broadly reviewed both to implement what already legislated and to be adapted to Sofinter's organization changes, aiming at strengthening the governance system, submitting to careful audit the identification of risk-prone areas.

During the years 2011 and 2014 the Model has been updated with the introduction of new crimes in accordance with the law 231 and with the changes of the organizational structure adopted by the Company.

The Organization Model is divided into a General Part, which defines criteria and methods, and a Special Part, which gives an overview of the different types of criminal offences and relevant Protocols, aimed to regulating the performance of risk-prone activities, as well as the regulations designed to plan decisions in relation to single offences to be prevented.

Sofinter undertakes to an opportune update of the Model in case any deficiency has been pointed out (even partial ones) that might affect an effective risk prevention, or in case of any noticeable change or modification of regulative system, corporate structure and company organization.

The task of monitoring operation and compliance of the above mentioned Model and its updating has been assigned to a Supervisory Body, appointed by the Board of Directors, whose constitution is announced after the nomination.

The Managing Director

### **3. Overview of the Legislative Decree and Relevant Regulations**

The Legislative Decree no. 231 of June 8, 2001 introduced into Italian regulation an administrative liability system (basically comparable to criminal liability) at the expense of juridical persons to be added to the responsibility of the person who committed the offences and willing to involve into penalty also entities (Companies and institutions).

The Administrative liability of the Entity for one of the Crimes provided by the Decree is added to the criminal or administrative liability of the person who is the offender. The liability of the entity exists even if the offender has not been identified or if the offence itself has been extinguished for a reason different than amnesty.

The entity cannot be held responsible for any offence, but only for the commission of offences and administrative violations envisaged by the decree, as shown in its original formulation and subsequent amendments, and laws that expressly refer to the decree.

The liability of the Entity arises when an offence has been committed to advantage the Entity itself, without being necessary the effective and concrete achievement of the goal.

The offence should have been made by one or more qualified individuals, belonging to one of the following who categories:

- The "apical" individuals, people who are representatives, directors or managers within the Entity or within one of its units with financial and functional autonomy, such as for example, Legal Representative, Administrator, General Director or the Director of a branch;
- The "subordinate" individuals under the supervision of one of apical subjects, who may not coincide with the employees).

For Crimes committed by "apical" individuals, the decree establishes a presumption regarding the liability of the Entity, since it provides for the exclusion of its liability if it shows that the management has adopted and efficiently implemented, before the commission of the offence, organization and management models apt to prevent Crimes of the same kind of the one occurred.

For crimes committed by "subordinate" individuals, the Entity may be held liable only if it is established that "the offence was possible for a non-fulfilment of obligations required by management and supervision".



Crimes provided by the Legislative Decree are the following:

**Art. 24:** *"Illegal receipt of funds, fraud against the State, public body or European Union or for the achievement of public funds, computer fraud to the detriment of the State or a public body and fraud in public supplies"* [article modified by L. 161/2017 and by Leg. Decree n. 75/2020];

**Art. 24-bis:** *"Cybercrimes and unlawful data processing"* [article added by L. n. 48/2008; modified by Leg. Decree n. 7 and 8/2016 and by Law Decree n. 105/2019];

**Art. 24-ter:** *"Organized crimes"* [article added by L. n. 94/2009 and modified by L. 69/2015];

**Art. 25:** *"Embezzlement, bribery and extortion, corruption and abuse of office"* [modified by L. n. 190/2012, by L. 3/2019 and by Leg. Decree n. 75/2020];

**Art. 25-bis:** *"Crimes of counterfeiting currency"* [article added by L. Decree n. 350/2001, converted with amendments by Law n. 409/2001; modified by L. n. 99/2009; modify by Leg. Decree n. 125/2016];

**Art. 25-bis-1:** *"Crimes against industry and trade"* [article added by L. n. 99/2009];

**Art. 25-ter:** *"Corporate crimes"* [article added by Leg. Decree n. 61/2002, modified by L. n. 190/2012, by L. 69/2015 and by Leg. Decree n.38/2017];

**Art. 25-ter letter s-bis:** *"Corruption between private individuals"* (art. 2635 of the Italian Civil Code) and *"Instigation to corruption between private individuals"* (art. 2635 bis of the Italian Civil Code);

**Art. 25-quarter:** *"Crimes of terrorism and subversion of democracy"* [article added by L. n. 7/2003];

**Art. 25-quater-1:** *"Practice of female genital mutilation"* [article added by L. n. 7/2006];

**Art. 25-quinquies:** *"Crimes against the individual"* [article added by L. n. 228/2003; modified by L. n. 199/2016];

**Art. 25-sexies:** *"Offences of market abuse"* [article added by L. n. 62/2005];

*"Other offenses relating to market abuse"* (Art. 187-quinquies TUF) [article modified by Leg. Decree n. 107/2018];

**Art. 25-septies:** *"Manslaughter and negligent injury committed in violation of safety and occupational health regulations"* [article added by L. n. 123/2007; modified by L. n. 3/2018];

**Art. 25-octies:** *"Crimes of receiving stolen goods, money laundering and illegal use of utilities of illegal origin, as well as self-laundering"* [article added by Leg. Decree n. 231/2007; modified by L. n. 186/2014];

**Art. 25-novies:** *"Offences related to infringement of copyright"* [article added by L. n. 99/2009];

**Art. 25-decies:** *"Inducement not to make statements or to make false statements to the court"* [article added by L. n. 116/2009];

**Art. 25-undecies:** *"Environmental Crimes"* [article added by Leg. Decree n. 121/2011, modified by L. n. 68/2015, modified by Leg. Decree n. 21/2018];

**Art. 25-duodecies:** *"Use of workers without residence permit"* [article added by Leg. Decree n. 109/2012, modified by L. n. 161 on October 17<sup>th</sup> 2017];

**Art. 25-terdecies:** *"Racism and xenophobia"* [article added by L. n. 167 on November 20<sup>th</sup> 2017, modified by Leg. Decree n. 21/2018];

**Art. 25-quaterdecies:** *"Fraud in sports competitions, illegal gambling or betting and gambling exercised by means of prohibited devices"* [article added by L. n. 39/2019];

**Art. 25-quinquiesdecies:** "Tax crimes"[article added by L. n. 157/2019 and by Leg. Decree n. 75/2020];

**Art. 25- sexiesdecies:** "Contraband offences"[article added by Leg. Decree n. 75/2020];

**Law n. 9, 2013, art. 12** "Legal entities' liability for violation of administrative rules deriving from crimes"  
[prerequisite for entities operating in the virgin olive oil supply chain];

**Law March 16, 2006 no. 146** "Transnational crimes" [The following offenses are a prerequisite for the administrative liability of entities if they are committed transnationally]:

- *Provisions against clandestine immigration* (Article 12, paragraphs 3, 3-bis, 3-ter and 5, of the Single Text referred to Legislative Decree n. 286 on July 25<sup>th</sup> 1998);
- *Association for the purpose of illicit trafficking in narcotic or psychotropic substances* (Article 74 of the Single Text referred to Presidential Decree n. 309 on October 9<sup>th</sup> 1990);
- *Criminal association aimed at smuggling foreign manufactured tobaccos* (Article 291-*quater* of the Single Text referred to Presidential Decree on January 23<sup>th</sup> 1973, n. 43);
- *Inducement not to make statements or to make false statements to the judicial authority* (Article 377-*bis* of the Criminal Code);
- *Personal aiding and abetting* (art. 378 of the criminal code);
- *Criminal association* (Article 416 of the criminal code);
- *Mafia-type association* (Article 416-bis of the Criminal Code).

The assumptions of crimes listed above have been included in the Special Section which is an integral part of the Model.

The Entity may be held responsible, in Italy, for some crimes committed abroad, provided that the Authorities of the Country where the crime has been committed do not proceed against it.

The Lawmaker, in order to provide "effective, adequate and dissuasive" sanctions, has established two main types of penalties: financial and disqualifying sanctions.

Financial sanctions are determined by the Court through a system based on "dues". Each crime requires a minimum and a maximum of shares, whose value is established by the Court, taking into account "economic and financial conditions" of the entity, thus ensuring the effectiveness of the sanction.

The quantum of penalties may change from a minimum amount equal to Euro 25,822.00 up to Euro 1,549,000.00 approximately.

Disqualifying sanctions are applied **in addition** to financial sanctions, they can be temporary but may occasionally be applied with full effect and may provide:

- 1) temporary or permanent interdiction from the activity;
- 2) suspension or revocation of permits or licenses which could be functional to the commission of crimes;
- 3) prohibition of contracting with Public Administration, except for the performance of public services;
- 4) exclusion from benefits, loans, grants or subventions and possible revocation of those already granted;
- 5) temporary or permanent prohibition of advertising goods or services.

In addition to financial and disqualifying sanctions, the DECREE provides for two more penalties:

- confiscation, consisting in the acquisition by the State of the price or profit deriving from the offence;
- publication of the conviction at the entity's expenses.

The Articles 6 and 7 of the Decree provide for specific exemptions from administrative liability if the Company demonstrates that:

- the subject acted in his own interest or in the interest of third parties (not in the interest of the Company);

**or**

1. the managing body has adopted and effectively implemented, prior to the commission of the crime, proper management and control to prevent the perpetration of crimes (provided for by Legislative Decree 231/01);
2. the task of supervising operation and compliance with models and the data updating has been assigned to a Supervisory Body appointed by the Company and endowed with autonomous powers;
3. individuals who committed the crime evading the organization and management model;
4. there has been omitted (or insufficient) supervision by a Supervisory Body.

The Company shall therefore have adopted and implemented proper organization and management models in order to prevent any crime provided for in the Legislative Decree 231/01.

These models, to be designed to prevent the risk of crimes, must meet the following requirements:

- to identify the activities within which crimes may be committed;
- to provide specific protocols, namely organizational and procedural elements, aiming at planning the implementation of the Company's decisions in relation to crimes to be prevented (powers and proxy system, authorization procedures, operational procedures);
- to identify the procedures for the management of financial resources in order to prevent the commission of crimes; to provide information to Supervisory Body;
- to adopt a suitable disciplinary system for punishing the non-compliance with the measures provided by Organization and Management Model.

The scope of application of the sanctioning system provided for by Legislative Decree 231/2001 also operates in the event that the crime has remained at an attempt level (Article 26 of the Decree). In fact, the responsibility of the company can be applied even if the predicate crime takes the form of an attempt, that is to say when the acting person performs acts unequivocally suitable for committing the crime and the action does not occur or the event does not occur (Article 56 of the Italian Criminal Code).

In this case, the pecuniary and disqualifying sanctions are reduced by one third to one half. In addition, the entity is not liable when it voluntarily prevents the completion of the action or the realization of the event.

#### **4. Features and use of Organizational Model**

The Company intends to operate according to ethical principles in performing its activities, pursuing the social purpose and the growth of the Company and of the Group, in compliance with laws in force.

To this purpose it has a Code of Ethics aiming at defining the principles of ethical business which the Company recognizes as its own and requires observance. The Company is also sensible to the expectations of its shareholders as regards fairness and business transparency and is aware, in order to ensure these conditions, of the possibility of introducing an Organization and Management *Model* in its internal auditing system for crimes prevention, taking into account the provisions of the Decree and the Guidelines drawn up by Confindustria.

This initiative, together with the adoption of the Code of Ethics, was taken to increase awareness of all employees of the Company and of other individuals interested in it (Customers, Suppliers, Partners, external contractors, and so on), in order to ensure correct behaviours aiming at preventing the risk of the offences specified in the Decree.

Using the Organization and Management Model the Company will pursue the following purposes:

1. to prevent the risk of committing crimes;
2. to raise awareness in those who act on behalf of the company in order to ensure that every activity is characterized by principles of transparency, fairness and compliance with procedures (internal audit);
3. to raise the awareness of the risk of proper sanctions in case of non compliance with the provisions herein mentioned;
4. to stress that the Company considers unjustifiable any conduct contrary to legal provisions and to ethical principles on which the Company is based.

Milestones of the Model are:

- identification of risk-prone areas/processes;
- definition of an internal regulatory system aiming at planning the implementation of the Company's decisions in relation to risks/crimes to be prevented through:
  - a Code of Ethics laying down general guidelines;
  - a system of delegations of functions and proxies to sign corporate documents, ensuring a clear representation of training process and of implementation of decisions;
- establishment of a coherent organizational structure designed to monitor a fair conduct and ensure a clear assignment of tasks by applying a proper separation of functions;
- identification of management processes and control of financial resources within activities exposed to risk of offence;
- assignment to Supervisory Body of monitoring operations and compliance with the Organization and Management Model and propose its updating;

- pursuant to Legislative Decree – Articles 6 and 7 - the construction of a Disciplinary System for violations of rules of conduct provided by the Code of Ethics and the Organization and Management Model regardless the penal trial.

This Organization and Management Model consists of a first part in which legislative references are mentioned, a second part in which the Company is identified as a corporate structure and a third part in which the main features of Organization Model are described, with particular reference to Supervisory Body, staff training and the diffusion of the Model within the Corporate context, disciplinary system and identified risky areas and finally a last part where possible crimes to be committed within the Company are analyzed.

The Organization and Management Model is associated with the Operation Manual which sets rules, procedures or operational requirements adopted for each kind of offence.

## **5. SOFINTER GROUP**

### **5.1 The Company and the Group**

Sofinter and Group companies operate directly, through subsidiaries and associated companies and through partnerships in key markets.

The respective by-laws of each company list in detail the activities that constitute the corporate purpose, all in compliance with the requirements, restrictions and prohibitions provided and determined by the laws and enactments from time to time in force.

It also can operate towards its Clients through Temporary Regrouping of Companies, Joint Venture, Collaboration Agreements, Consortia and other forms of partnership. For the scope of its competence, the Company undertakes to apply to such Entities this Organization Model and to communicate it to their Partners. It also undertakes to promote the adoption of similar organization models in its subsidiaries.

The composition of Sofinter Group is represented in the diagram below.

### **5.2 Types of business and markets/Customers**

Company's products are mainly:

- industrial boilers
- heat recovery steam generators
- flue gas steam generators
- service and spare parts
- water treatment plants

The markets are mainly:

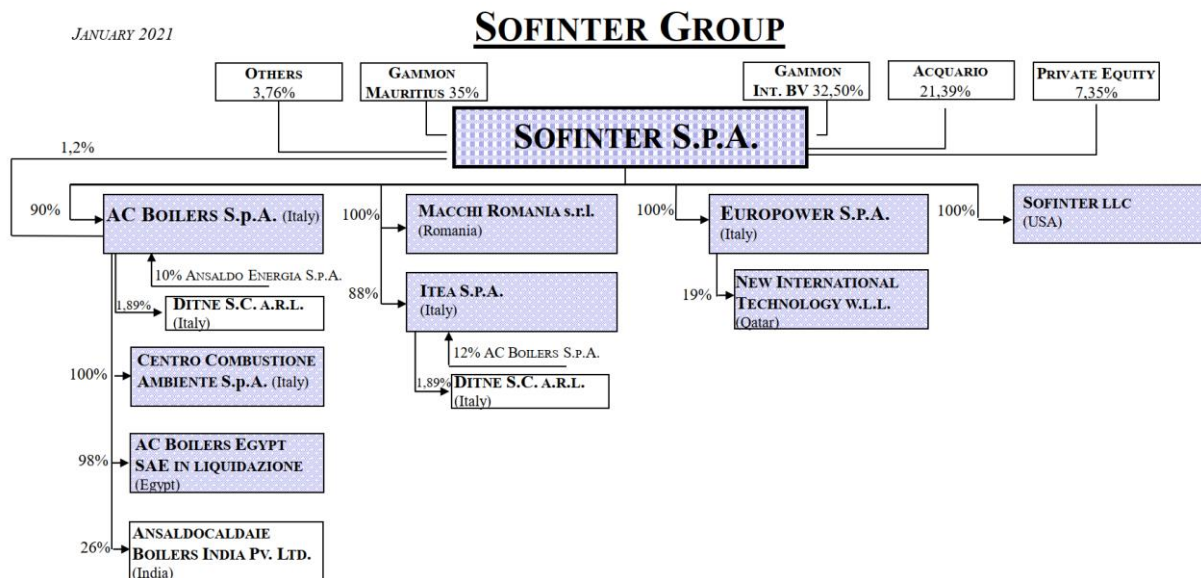
- Italy and Europe
- South America
- North America
- North Africa
- Middle/Far East

Customers are mainly:

- Oil companies
- EPC (Engineering Procurement Construction) Companies
- IPP (Independent Power Producers) Companies
- Public Authorities
- Plant Manufacturers

### 5.3 Participations

RTI, JVs and other agreements related to the execution of single projects or jobs are not represented as they are temporary and/or have no legal personality; branches, permanent establishments and Tax Agencies are not represented as they are a direct issue of the Company and/or have no legal personality.



## **6. Organization System**

### **6.1 Organization System**

The Corporate Organization and Management Model identifies and defines duties, tasks and responsibilities of functions, establishing the assignment of responsibilities and connecting lines (whether necessary) among each department and level within the Company.

The Company's organization system is shown in the corporate organization chart here below, whose description is reported in the Quality System.

For the effectiveness of this Model, the main goal of the Company is ensuring a wide and accurate disclosure of the Code of Ethics, familiarity of Legislative Decree 231/2001, Organization and Management Model and adopted Procedures as well as their updates to all employees; for this purpose training sessions are periodically organized in compliance with the specific procedure.

Employees must know and respect the content both of the Code of Ethics and of the Organization and Management Model and contribute to its implementation and operation.

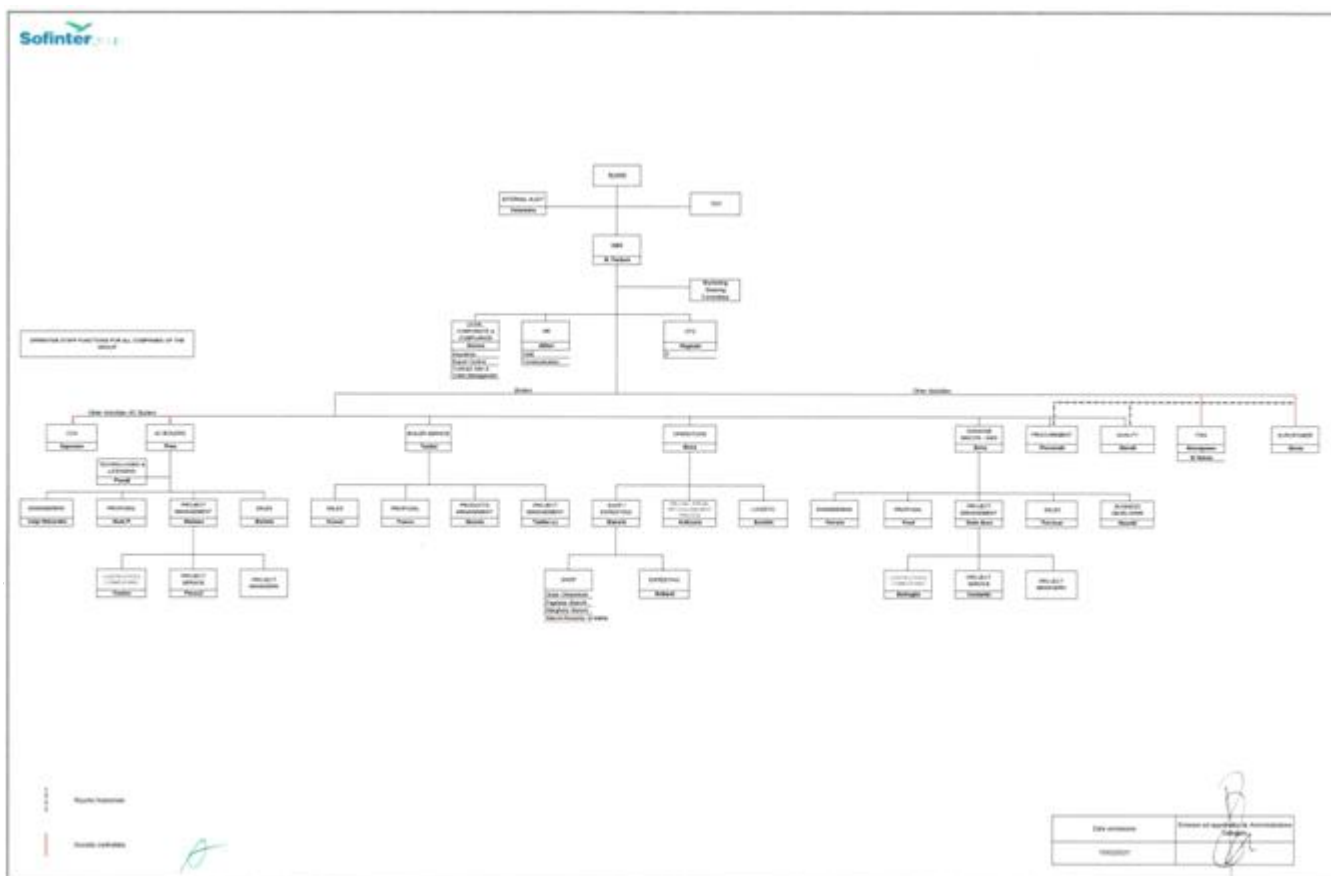
### **6.2 Delegation of powers: principles and purposes**

- separation of duties;
- clear identification of assigned responsibilities;
- lines of hierarchical subordination;
- need of territorial defence;
- provision of powers of authorization and signature for fixed values (amounts and conditions).

The powers and assigned powers are limited mainly to operating managers, technical directors and managers of Company safety.



### 6.3 Organization chart



The organizational structure of the Company and, in general of Sofinter Group, experienced an optimization process, started in 2015, with the aim to promote operational synergies and management optimization.

In particular:

1. The following staff functions provided by the Parent Company (Group Services) operate in order to support the Group companies:
  - Internal Audit;
  - Legal Corporate & Compliance, Insurance, Export Control e Contract adm & Claim Management;
  - Human Resources, HSE (Safety and Environmental) and Communication;
  - Administration, Finance and Control and Information Technology.
2. The following functions have been centralized (Group Departments):
  - Quality/Expediting;
  - Procurement;
  - Shop Logistic (divided in Shop and Logistic).
3. The function Boilers Service, which also operates for the subsidiary AC Boilers S.p.A., is organized in the departments:
  - Project Management;

- Products Management;
  - Sales.
4. Macchi and SWS Divisions are organized in the departments:
- Engineering;
  - Proposal;
  - Sales;
  - Business Developer;
  - Project Management (further divided in Construction & Commissioning – Project Managers – Project Service).

#### **6.4 Supervisory Body (SB)**

The SB consists of a minimum of three to a maximum of five members to be appointed by the Board of Directors; the appointment will be served by a special notice.

A sentence (or settlement) also not irrevocable for having committed any of the offenses set forth in Legislative Decree no. 231/2001 or conviction (or plea bargaining) to a sentence implying disqualification, even temporary, from public offices or temporary disqualification from managerial positions for legal persons or companies they will be cause for ineligibility as member of the SB.

The characteristics of SB members appointed by the Company according to art. 6 of the Legislative Decree 231/01 and Confindustria Guidelines, shall be chosen on the basis of the following requirements:

- Honor and moral standard
- Autonomy and independence
- Professionalism

##### ***Honour and moral standards***

The members of SB must submit statements of integrity according to the regulations in force.

##### ***Autonomy and Independence***

The Supervisory Body of the Company shall be autonomous and independent and shall not be directly involved in management activities which are the object of its auditing activity in order to preserve its impartiality and the effectiveness of the Model.

##### ***Professionalism***

The Supervisory Body of the Company shall have technical and professional skills in order to perform the assigned tasks. A specific skill is required to those performing this activity, such as skills for analysis, evaluation of risk and measures for their restraint, the identification of weakness of process and procedures, methods for fraud detection, and so on.

These techniques should be applied both as a preventive measure in order to adopt the most suitable measures to prevent the commission of crimes, and afterwards to determine the commission of any crime. As part of the role played by the members of SB, the Company requires **continuity of action** in relation to the constant supervision on the effectiveness of the Organization Model, on its continuous implementation as well as on its continuous updating. The SB must also provide advisory opinions on the construction of the Organizational Model in order to identify possible weaknesses; advisory opinions do not affect independence and objectivity of the trial of specific events. The SB uses the Internal Audit Department to perform audits and checks provided for by the Organization Model as well as controls of business functions that from time to time will be useful to carry out activities requiring specific skills. The tasks of SB are:

- a) to ensure the implementation of the Organization Model in relation to different classes of offences;
- b) to assess and monitor the efficacy of the Organization Model in preventing the commission of offences;
- c) to propose to the CEO and to the Board of Directors updates and changes to the Model in relation to changing legislation and business conditions;
- d) to monitor the efforts for the diffusion of familiarity of the Model.

The SB is also responsible for:

- planning periodic audits targeting risky activities, as defined in the Organization Model;
- collecting and preserving relevant information in respect of the Organization Model and update the list of information to be submitted to SB;
- holding internal inquiries to ascertain alleged violations reported to SB or identified during the activities performance;
- checking periodically the map of risk-prone areas in order to adapt it to the changes in the activities and within the company organization;
- reporting periodically, at least yearly, to CEO and to Statutory Auditors on the implementation of corporate policies for the implementation of the Organization Model.

For the purpose of risk mapping (Matrix 231 Crimes), Management shall indicate to SB possible circumstances which may expose the Company to the risk of crime. In order to perform the foregoing, the SB shall:

- access corporate documents in order to perform required audits, without prior authorization from the competent reference offices;
- use adequate professional resources and financial resources;
- take advantage of the support of various corporate structures that may be involved in the control activities.

The SB adopts its own rules of operation, approving the contents and submitting it to the BoD in the first useful session following the appointment.

#### **6.4.1 Supervisory Body Reporting**

The Supervisory Body Reporting is carried out through two streams:

- the first, on an ongoing basis, directly with the Managing Director;
- the second, on a half-year basis, to the Board of Directors and the Statutory Auditors. Every year the Supervisory Body sends to the Board of Directors a written report on the implementation of the Organization and Management Model within the Company, requiring the allocation of an adequate budget for the performance of the supervisory activities, to be managed independently.

The SB may be called at any time by the Company or may make a request to report on specific situations raised during the implementation of the Model whenever he or she deems it necessary or appropriate.

#### **6.4.2 Information to Supervisory Body**

Each company department must inform the Supervisory Body on situations, process changes and duties covered by the Organization and Management Model applied within the Company pursuant to Italian Legislative Decree 231/01. In this regard it should be reported, when the event occurs:

- behaviours not complying with the rules of conduct adopted by the Company;
- the commission of one of the crimes provided for by Legislative Decree 231/2001 or the fraudulent violation or evasion of the principles and provisions of the Organizational Model;
- changes in the delegation system and/or changes of assigned powers;
- measures and/or notices coming from the police or from any other authority;
- request for legal assistance for the offences envisaged by the Decree;
- the reports received by SB must be collected and retained in special archives, where the access is allowed only by SB members;
- implementation of disciplinary measures and sanctions proposed by SB.

The reporting subjects, whose identity is not disclosed, are protected against any form of discrimination, penalization and revenge for reasons relating to the report. The SB, in fact, guarantees the absolute confidentiality and anonymity of the reporting persons, without prejudice to the legal obligations and the protection of the Company's rights.

Information received by the SB must be collected and stored in a specific file to which the access is allowed only to the members of the SB.

Although the Supervisory Body, in accordance with the Code of Ethics, considers the reports transmitted preferable not anonymously, however, anonymous reports are also permitted. In this case, the SB first proceeds to assess its merits and relevance to its tasks; anonymous reports are considered if contain facts relevant to the duties of the SB and not made of generic, confusing and/or clearly defamatory content.

The reports must be communicated to the Supervisory Body or through direct communication or, for employees, through the Function Managers, who must promptly transmit the original what was received to the Supervisory Body, using confidentiality criteria to protect the effectiveness of the assessments and the honorability of the persons involved in the report.

The Supervisory Body members, formally appointed and authorized to data process in accordance with the privacy legislation, require that the data contained in the forwarded reports are relevant to the purposes set out in Legislative Decree 231/2001.

In the detailed description of the behavior that originates the report, information that is not strictly related to the subject of the report must not be provided. In the case of reports produced in evident bad faith, the SB reserves the right to close them, deleting the names and elements that may allow identification of the reported subjects.

In accordance with the provisions of Law 179/2017, containing the "Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship", the Company protects whistleblowers from retaliation or discriminatory acts for reasons connected, directly or indirectly, to the report.

All communications from the reporting entity in respect of the Supervisory may be carried out alternately and without preference, by means of:

- E-mail;
- Notice/Letter.

For contact with the OdV, the Company has set up the following e-mail address reserved for the Supervisory Body to send the reports to: [odv@sofinter.it](mailto:odv@sofinter.it).

The ordinary mailing address is:

Supervisory Body at Legal Affairs Department of the Company  
Piazza Buffoni, 3 – 21013 Gallarate (VA).

### 6.4.3 Whistleblowing

On 29 December 2017, Law no. 179 entered into force containing the "Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship" which intervened on art. 54-bis of Legislative Decree no. 165/2001 and on art. 6 of Legislative Decree 231/2001.

As regards, however, the changes introduced by Law no. 179/2017 on the subject of "Whistleblowing", the organizational model shall now provide:

1) one or more channels that allow those who in any capacity represent or direct the entity to submit, in order to protect the integrity of the entity, detailed reports of unlawful conduct, relevant and based on precise and consistent facts, or of violations of the organization and management model of the entity, of which they have become aware due to the functions performed; these channels guarantee the confidentiality of the identity of the whistleblower in the management of the report;

2) at least one alternative reporting channel suitable to guarantee, with IT methods, the confidentiality of the whistleblower;

3) suitable measures to protect the identity of the whistleblower and to maintain the confidentiality of the information in any context following the report, to the extent that anonymity and confidentiality are enforceable by law.

The whistleblowing law introduces in the Italian legal system a set of rules aimed at improving the effectiveness of the instruments to fight corruption, as well as to protect the whistleblowers with greater intensity, encouraging the use of the instrument of reporting illegal or of violations of the organization, management and control models.

Even in the absence of a specific regulatory provision, until the introduction of the Whistleblowing Law, anyway the Company has always paid particular attention to the issue of reports, also regulating information flows, as provided for in paragraph 6.4.2.

In order to implement the additions made to art. 6 of Legislative Decree 231/2001, it was necessary to integrate the Organizational Model with a management system for reports of offenses that allows to protect the identity of the whistleblower and the related right to confidentiality also through the introduction in the disciplinary system of specific sanctions imposed in the event of any acts of retaliation and discriminatory attitudes to the detriment of the whistleblower who, in good faith and on the basis of reasonable facts, has reported unlawful conduct and/or in violation of the Organizational Model and the Code of Ethics.

Given the above, the Company, in order to guarantee the effectiveness of the whistleblowing system, has integrated the Whistleblowing Procedure – Protocol 06/RU-0/231, which informs employees about the existence of specific communication channels that allow them to present any reports, based on precise and agreed factual elements, also guaranteeing the confidentiality of the identity of the whistleblower with IT methods.

The procedure adopted by the Company is aimed at regulating, encouraging and protecting those who, in carrying out their work duties, become aware of an offense and/or irregularity in the workplace, relevant for the purposes of Legislative Decree 231/01, decides to report it.

The reports must provide useful elements to allow the persons in charge to proceed with the necessary and appropriate checks and inspections (Article 6, paragraph 2-bis, Legislative Decree 231/2001).

The Supervisory Body, identified by the Company, is the recipient of the reports.

Reports must be made in writing using the methods indicated in paragraph 6.4.2: by e-mail, by ordinary mail, by means of an additional IT channel, by means of a software application that guarantees the confidentiality of the whistleblower and of the report, as required by legislation.

Verbal and/or telephone communications not formalized in the ways and contents indicated above will be taken into consideration, where such formalization is not possible.

## **7. Disciplinary System**

### **7.1 General principles**

It is essential for the effectiveness of the Organizational Model to build an adequate system of sanctions for the violation of the rules of conduct contained in the Code of Ethics and failure to comply with the measures indicated in the model itself.

The sanctions envisaged will be applied to any violation of the corporate rules of conduct and the provisions contained in the Model, including the implementation of actions or behaviors that do not comply with the provisions of the Whistleblowing Law pursuant to Law 179/2017 and any subsequent amendments and additions, regardless of the possible outcome of the criminal trial, as these rules are adopted by the Company in full autonomy and also disregard any conduct that may lead to unlawfulness.

### **7.2 Sanctions applicable to employees**

Violations of the rules of conduct contained in the Code of Ethics are considered breaches of discipline. The sanctions applicable to employees fall among those provided by the Company Regulations, in compliance with procedures envisaged by Article 7 of Workers' Statute (Law No. 300, May 20, 1970) and any applicable social regulation. This Model refers to the categories of punishable events envisaged by the National Collective Bargaining Agreement (Italian CCNL) applied within the Company; these categories describe punished behaviours and sanctions prescribed for the commission of offences depending on the severity. In particular, pursuant to Article 8 paragraph 7 of the National Collective Bargaining Agreement for metal and mechanical industry workers, the failure by the employees of the provisions and procedures contained in this Model will involve the application of the following penalties in proportion to the gravity of the offense:

1. VERBAL CALL OR WRITTEN WARNING;
2. FINE;
3. SUSPENSION FROM SERVICE AND PAYMENT;
4. DISMISSAL WITH NOTICE;
5. DISMISSAL WITHOUT NOTICE.

Any violation of the rules envisaged by the Model or referred to by it and, in any case, the commission (even in the form of an attempt) of any criminal offense to which Legislative Decree 231/01 is applicable constitutes a disciplinary offense.

Failure to comply with the confidentiality obligations on the identity of the whistleblower provided for by the Whistleblowing Law pursuant to Law 179/2017 and any subsequent amendments also constitutes a violation of the Model to protect the employee or collaborator who reports illegal acts, the performance of retaliation or discrimination against the author of the report, as well as the behavior of the person who makes a report that turns out to be unfounded with willful misconduct or gross negligence.

The powers already granted to corporate management, within the limits of their respective competence, remain unchanged both for the investigation of offenses and for disciplinary measures.

The disciplinary system is subject to verification of validity and application of the relevant functions in conjunction with the Head of Human Resource Management.

### **7.3 Sanctions applicable to Managers**

In the event of a breach of one of the internal procedures, envisaged by the Organization and Management Model, by the Managers in performing sensitive activities, or of practices not complying with the Model and the Code of Ethics, as well as the whistleblowing law and the application procedure, the Company shall apply against those responsible appropriate measures in compliance with article 7 of the Workers' Statute (Law No. 300 of May 20, 1970) and the provisions of the National Collective Bargaining Agreement for Managers, as such violation will be deemed by the Company as non-compliance with the obligations arising from the working relationship.

### **7.4 Sanctions applicable to Directors and Auditors**

Any infringement of the Organization and Management Model, of the Code of Ethics and the current legislation on whistleblowing and the application procedure by Directors and Auditors shall be reported by Supervisory Body to the Board of Directors and to the Statutory Auditors who arrange appropriate actions pursuant to law, convening if necessary the shareholders' meeting in order to adopt the most appropriate measures more suitable provided by law.

### **7.5 Sanctions applicable to Consultants and Partners**

The breach by Consultants or Partners of the rules of conduct envisaged in the Organization Model and in the Code of Ethics or the commission of the crimes provided for by Italian Legislative Decree 231/01 will be sanctioned in accordance with contractual clauses included in their contracts and in case of serious infringements even with the termination of contract.

This does not affect any claim for compensation in case the behaviour causes damages to the Company.

### **7.6 Measures applicable to the recipients of reports ("Whistleblowing")**

The Company, in the event of a violation of the regulatory provisions on whistleblowing and the application procedure in order to protect the identity of the whistleblower and the same from any acts of retaliation or discrimination, may apply the following sanctions against the SB. In the event that one of the members of the SB should violate the confidentiality of the identity of the whistleblower, the other members will immediately notify the Board of Directors so that the same can proceed with the revocation of the mandate of the defaulting member and the consequent appointment of his replacement.

If, on the other hand, the violation of the confidentiality of the identity of the whistleblower by the SB in its entirety is ascertained, the Board of Directors will proceed with the revocation of the appointment and the consequent appointment of the entire Body as well as any and further provisions of the law.



## **8. Potential risk mapping**

In accordance to the provisions of art. 6 paragraph 2, letter. a) of the Decree, the Company, through a risk mapping process, has identified the areas of activity that are potentially at risk for committing crimes listed in the Decree. In addition, some functions – areas of activities, even not being directly included in the risk of crime, may be used as the implementation tool of hypothetical crimes committed in another area. This latter, despite being identified as a risk-prone Area, may “contaminate” and other areas without being aware of participating in an illegal or criminal offense. For these areas the procedures of Organization and Management Model require management and organization as a whole control.

It is referred in particular to the following areas:

- 1) how to manage financial resources (for ex. Management of financial resources, both incoming and outgoing, which may cause atypical cash flows);
- 2) audits management (Legislative Decree 81/2008, tax audits, Inps, and so on and possible disputes arising from them);
- 3) management of ordinary requirements (for ex. Administrative business, management of possible judicial and extrajudicial cases with P.A.);
- 4) management of the process of issuing purchase orders (process of procurement of goods and services with reference to purchases managed by the relevant departments of the Company and/or managed by a service contract, to the stages of the process related to the application of supply, the selection of the supplier and the signing of the contract, use, and management of contracts, revision of contracts);
- 5) process management utility with particular reference to the management of gifts, sponsorships, donations and expenses;
- 6) procurement process, purchase and sale of raw materials and products on the market, with particular reference to the phases of the counterparty selection, negotiation and conclusion of the contract;
- 7) the process of selection and recruitment of human resources;
- 8) management of the process for approval of invoices for payment;
- 9) company or entities within the same group but established in different States for the following transactions: (i) intercompany contracts for purchases and/or sales, (ii) Management of financial flows, (iii) intercompany Investments.

The result of the processes and functions performed by the Company, is the Matrix Crimes 231, which highlights the sensitive activities of illicit and responsibilities of the departments involved.

The Company has adopted specific protocols and control procedures to prevent the commission of crimes provided for by Legislative Decree no. 231/2001, which are considered potential based on the analysis carried out of sensitive processes.

The Matrix Crimes is an integral part of the Organizational Model and is the tool that identifies areas of risk and intensity of the crimes provided for by the standard. It is also the main tool for the realization,

verification and continuous improvement of the Organizational Model consistent with the Legislative Decree. It constitutes a useful information basis for the Supervisory Body from which to start the observation and the investigation aimed at continuous improvement.

The documentation relating to the matrix Offences-sensitive activities and the risk measurement and control model is on file in the Legal Affairs Department of the Company.

## **9. Update of Organizational Model**

As this Model is “an act issued by Management Department” (in compliance with the provisions of Article 6, Section 1, Letter A of the Decree), its adoption as well as its subsequent amendments and integrations, even on a proposal of the Supervisory Body, are referred to the Company Board of Directors.

The Director with powers is entitled to make any change or integration, formal and not substantive, to the text, reporting periodically to the Board of Directors of the Company about such changes made.

Within such powers, the Director shall also adopt or change business procedures and the Control Protocols relating to sensitive business areas indicated in this Model and in the Crimes Matrix 231.

In any case, the Organizational Model, the procedures and the Control Protocols regarding the sensitive process control therein shall be modified in the following cases:

- upon the occurrence of significant changes in the regulatory system;
- upon the occurrence of significant changes in its corporate and/or business organization;
- when violations are detected or circumvention of the requirements, in order to maintain the efficiency of the Organizational Model.

The Supervisory Body has the task of monitoring the progress and update the results the Organizational Model and of any changes in the procedures and Control Protocols, giving adequate information to the Company.

## **10. Reference documents for the preparation of the Organizational Model**

- A. Group Code of Ethics
- B. Quality System: quality manual and procedures
- C. Work Safety Management System
- D. Legislative Decree 231/01
- E. Confindustria Guidelines

## ***11. Attachments to the Organizational Model***

Organization Model – Special Section

Matrix Crimes 231 – Business Sensitive Activities

Control Protocols

Anti-Corruption Compliance Manual

## Appendix: Organization and Management Model Evolution

<b>DATES</b>	<b>DESCRIPTION</b>
October 28, 2004	<b>Organization and Management Model / ISSUE 1</b>
October 28, 2004	<b>Code of Ethics / ISSUE 1</b>
March 24, 2006	<b>Organization and Management Model / ISSUE 2</b> Approval of Organization and Management – Issue. 2, which has acknowledged: - new regulations related to Italian Legislative Decree 231/01; - organization development occurred by 28, October 2004.
March 29, 2007	<b>Organization and Management Model / ISSUE 3</b> Approval of Organization and Management Model – ISSUE 3, which has: - diminished the minimum number of SB members, from three to two; - updated the participations of the Company and subsequently the Annex 1.
October 30, 2008	<b>Organization and Management Model / ISSUE 4</b> Approval of Organization and Management Model – ISSUE 4, which has: - updated the participations of the Company and subsequently the Annex 1; - acknowledged the regulation related to: (i) computer crimes and illicit use of data introduced by Italian Law March 18, 2008 no. 48, Article 7, (ii) Manslaughter and negligent injury committed in violation of safety and occupational health regulations (under Article 25-septies of Italian Legislative decree 231/01 introduced by Law August 3rd 2007 No. 123, Article 9); (iii) Crimes of receiving stolen goods, money laundering and illegal use of utilities (under Article 25-octies of Italian Legislative Decree 231/01 introduced by Legislative Decree November 2007 No. 231, Article 63); (iv) implemented the changes of corporate organization.
July 8, 2011	<b>Organization and Management Model / ISSUE 5</b> Adopts the regulations relating to: • Offences related to infringements of copyright and inducement not to make statements or to make false statements to the court (pursuant to art. Novies 25 of Legislative Decree 231/01) • Art. 10 ex Law 16 March 2006, n. 146 - "Ratification and implementation of the Convention and the Protocols to the UN Convention against Transnational Organized Crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001" - published in the Official Gazette no. 85 of 11 April 2006 - Ordinary Supplement no. 91.
March 27, 2013	<b>Code of Ethics / ISSUE 2</b>
March 28, 2014	<b>Organization and Management Model / ISSUE 6</b> Acknowledges the regulation related to: Art. 25-undecies: " <i>Environmental Crimes</i> " Art. 25-duodecies: " <i>Use of workers without residence permit</i> "
December 1, 2017	<b>Code of Ethics / ISSUE 3</b>
January 26, 2018	<b>Organization and Management Model / ISSUE 7</b> Approval of the Organizational Model - Ed. 7, which has implemented: • the notion of a public official; • the new regulations concerning Legislative Decree 231/01 (Self-laundering and Law No. 9 of 2013); • insertion of the new paragraph 9. Update of the Organizational Model;

	<ul style="list-style-type: none"> <li>• introduction of new attachments - Crime Matrix and Anti-Corruption Manual;</li> <li>• changes in the company organization;</li> <li>• adoption and approval of the Operating Regulations by the Supervisory Body;</li> <li>• among the tasks of the Supervisory Body the possibility of accessing company documents in order to be able to carry out the necessary checks, without prior authorization from the competent reference offices;</li> <li>• the annual request of the Supervisory Body to the Board of Directors for the allocation of an adequate budget for the performance of the supervisory activities, to be managed independently.</li> </ul>
May 25, 2018	<p><b>Organization and Management Model / ISSUE 8</b></p> <p>Approval of the Organizational Model - Ed. 8, which has implemented:</p> <ul style="list-style-type: none"> <li>- changes in the company organization;</li> <li>- the new regulations concerning Legislative Decree 231/01 (Art. 25 terdecies Racism and xenophobia);</li> <li>- Supervisory Report on the half-year basis to the Board of Directors and the Board of Statutory Auditors;</li> <li>- Changes in information flows to the SB and reports to the SB.</li> </ul>
February 21, 2019	<p><b>Code of Ethics / ISSUE 4</b></p>
October 22, 2021	<p><b>Organization and Management Model / ISSUE 9</b></p> <p>Acknowledges: new regulations concerning Legislative Decree 231/01:</p> <ul style="list-style-type: none"> <li>- Art. 25-ter letter s-bis: "Corruption between private individuals" (art. 2635 of the Italian Civil Code) e "Instigation to corruption between private individuals" (art. 2635 bis of the Italian Civil Code);</li> <li>- Art. 25-quaterdecies: "Fraud in sports competitions, illegal gambling or betting and gambling exercised by means of prohibited devices" [article added by L. n. 39/2019];</li> <li>- Art. 25-quinquiesdecies: "Tax crimes" [article added by L. n. 157/2019 and by Leg. Decree n. 75/2020];</li> <li>- Art. 25-sexiesdecies: "Contraband offences" [article added by Leg. Decree n. 75/2020];</li> <li>- New types of tax offenses, including the crimes of: unfaithful declaration, omitted declaration, undue compensation, fraudulent declaration through the use of false invoices and contraband, and from the implementation of the so-called PIF Directive n. 1371/2017 of the European Parliament and of the European Council of 5 July 2017, laying down rules for the "<i>fight against fraud affecting the financial interests of the Union through criminal law</i>";</li> <li>- changes in the Company organization;</li> <li>- 6.4.3 Whistleblowing: protection by the Company, in accordance with the provisions of Law 179/2017, of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship;</li> <li>- 7.6 Measures applicable to the recipients of reports ("Whistleblowing")</li> </ul>

This **Organization, Management and Control Model – Issue 9** has been approved by the Board of Directors of the Company in its meeting on October 22, 2021 and replaces the previous editions.

**231 CRIMES LIST**

**UPDATE AS AT OCTOBER 22, 2021**

<u>Law reference</u>	<u>Crime</u>	<u>Financial penalties (quotas)</u>	<u>Disqualification penalties</u>					<u>Notes</u>
			<u>Prohibition from carrying out the activity</u>	<u>Suspension or revocation of authorizations, licenses or concessions</u>	<u>Prohibition to contract with the Public Administration</u>	<u>Exclusion from concessions, loans, contributions or their revocation</u>	<u>Ban on advertising goods or services</u>	
<b>Art. 24</b>								
<b>Unlawful perception of disbursements, fraud against the State, a public body or European Union or for the achievement of public disbursements and computer fraud against the State or a public body and fraud in public supplies</b>								
<i>Aggravated penalty in the presence of particularly serious damage</i>								
Art. 316 bis Penal code	Embezzlement against the state	MIN 100 – MAX 600			X	X	X	
Art. 316 ter Penal code	Undue perception of payments to the detriment of the State	MIN 100 – MAX 600			X	X	X	
Art. 640, paragraph 2 n. 1 Penal code	Fraud against the state or other public body	MIN 100 – MAX 600			X	X	X	
Art. 640 bis Penal code	Aggravated fraud for the achievement of public funds	MIN 100 – MAX 600			X	X	X	
Art. 640 ter Penal code	Computer fraud to the detriment of the state or other public body	MIN 100 – MAX 600			X	X	X	
Art. 356 Penal code	Fraud in public supplies	MIN 100 – MAX 500			X	X	X	
Art. 2 L. 23/12/1986, n. 898	Fraud against the European Agricultural Fund	MIN 100 – MAX 500			X	X	X	
<b>Art. 24 bis</b>								
<b>Computer crimes and unlawful data processing</b>								
<i>[article introduced by art. 7 of Law 48/200]</i>								
Art. 491 bis Penal code	False computer documents	MIN 100 – MAX 400			X	X	X	
Art. 615 ter Penal code	Abusive access to an IT or telematic system	MIN 100 – MAX 500	X	X			X	
Art. 615 quater Penal code	Unauthorized possession and	MIN 100 – MAX 300		X			X	

	dissemination of access codes to computer or telematic systems							
Art. 615 quinquies Penal code	Dissemination of equipment, devices or computer programs aimed at damaging or interrupting an IT or telematic system	MIN 100 – MAX 300		×			×	
Art. 617 quater Penal code	Illegal interception, impediment or interruption of IT or telematic communications	MIN 100 – MAX 500	×	×			×	
Art. 617 quinquies Penal code	Installation of equipment designed to intercept, prevent or interrupt IT or telematic communications	MIN 100 – MAX 500	×	×			×	
Art. 635 bis Penal code	Damage to information, data and computer programs	MIN 100 – MAX 500	×	×			×	
Art. 635 ter Penal code	Damage to information, data and IT programs used by the State or by another public body or in any case of public utility	MIN 100 – MAX 500	×	×			×	
Art. 635 quater Penal code	Damage to IT or telematic systems	MIN 100 – MAX 500	×	×			×	
Art. 635 quinquies Penal code	Damage to public utility IT or telematic systems	MIN 100 – MAX 500	×	×			×	
Art. 640 quinquies Penal code	Computer fraud by the subject providing electronic signature certification services	MIN 100 – MAX 400			×	×	×	
art. 1, paragraph 11, Law Decree no. 105/2019	Violation of the cybernetic national security perimeter rules	MAX 400			×	×	×	

**Art. 24 ter**

**Organized crime offenses**

*[article introduced by art. 2, paragraph 29 of Law 94/2009]*

If the entity or an organizational unit is permanently used for the sole or main purpose of allowing or facilitating the commission of the offenses indicated in paragraphs 1 and 2 of this article, the sanction of the definitive interdiction from the exercise of the activity is applied, pursuant to article 16, paragraph 3								
Art. 416, paragraph 6 Penal code	Criminal Association	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 416, excluded paragraph 6 Penal code	Criminal association	MIN 300 – MAX 800	×	×	×	×	×	
Art. 416 bis Penal code	Mafia-type association also foreign	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 416 ter Penal code	Political-mafia electoral exchange	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 630 Penal code	Kidnapping for extortion purposes	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 74 Presidentiale Decree no. 309/1990	Association aimed at the illicit trafficking of narcotic or psychotropic substances	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 407, paragraph 2, lett. a), no. 5 Penal procedure code	Illegal manufacture, introduction into the State, offering for sale, transfer, possession and port of war or war- type weapons or parts of them, explosives, illegal weapons, as well as multiple common firing weapons in a public or open place	MIN 300 – MAX 800	×	×	×	×	×	
<b>Art. 25</b>								
<b>Embezzlement, Bribery, undue induction to give or promise benefits, corruption and abuse of office</b>								
<i>[thus modified by art. 1, paragraph 77, letter a), of Law no. 190/2012]</i>								
<u>The disqualification sanctions provided for are reduced to MIN 24 - MAX 48 when the offense is committed by persons subject to the direction or supervision of one of the subjects referred to in letter a), i.e. subject to the direction or supervision of people who hold representative functions, administration or management of the entity or an organizational unit with financial and functional autonomy, as well as persons who exercise, even de facto, the management and control of the same</u>								
<u>The pecuniary sanctions provided also apply when these crimes were committed by the persons indicated in articles 320 (persons in charge of the public service) and 322 bis (members of the international Courts or of the bodies of the European Community or of international parliamentary assemblies or of international organizations and of officials of the European Community and of foreign states)</u>								
Art. 317 Penal code	Extortion	MIN 300 – MAX 800	×	×	×	×	×	
Art. 318 Penal code	Corruption for the exercise of the function	MIN 100 – MAX 200						
Art. 319 Penal code	Corruption for an act contrary to official duties	MIN 200 – MAX 600	×	×	×	×	×	



Art. 319 bis Penal code	Aggravating circumstances	MIN 300 – MAX 800	×	×	×	×	×	
Art. 319 ter, paragraph 1 Penal code	Corruption in judicial documents	MIN 200 – MAX 600	×	×	×	×	×	
Art. 319 ter, paragraph 2 Penal code	Corruption in judicial documents	MIN 300 – MAX 800	×	×	×	×	×	
Art. 319 quater Penal code	Undue induction to give or promise benefits	MIN 300 – MAX 800	×	×	×	×	×	
Art. 320 Penal code	Bribery of a person in charge of a public service	MIN 200 – MAX 800	×	×	×	×	×	
Art. 321 Penal code	Penalty for the corruptor	MIN 200 – MAX 600						
Art. 321 Penal code	(IN REFERENCE TO ART. 318)	MIN 200 – MAX 600						
Art. 321 Penal code	Penalty for the corruptor	MIN 300 – MAX 800						
Art. 322, paragraphs 1 and 3 Penal code	(IN REFERENCE TO ART. 319 and 319 ter)	MIN 100 – MAX 200						
Art. 322, paragraphs 2 and 4 Penal code	Penalty for the corruptor	MIN 200 – MAX 600	×	×	×	×	×	
Art. 322 bis Penal code	Embezzlement, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of members of international courts or bodies of the European Communities and or of international parliamentary assemblies or international organizations and officials of the European Communities and foreign states - application of provisions of articles 314, 316, from 317 to	MIN 300 – MAX 800	×	×	×	×	×	

	320 and 322, third and fourth paragraphs							
Art. 346 bis Penal code	Incitement to Corruption	MIN 100 – MAX 200						
Art. 314 Penal code	Embezzlement (limited to the first paragraph)	MAX 200	×	×	×	×	×	
Art. 316 Penal code	Embezzled by profit from the error of others	MAX 200	×	×	×	×	×	
Art. 323 Penal code	Abuse of office	MAX 200	×	×	×	×	×	
<b>Art. 25 bis</b>								
<b>Falsity in coins, in public credit cards, in stamps and in instruments of sign and recognition</b>								
<i>[article introduced by Law no. 409/2001 as modified by art. 15, paragraph 7 of Law no. 99/2009]</i>								
Art. 453 Penal code	Counterfeiting of coins, spending and introduction into the state, after concert, of counterfeit coins	MIN 300 – MAX 800	×	×	×	×	×	
Art. 454 Penal code	Alteration of coins	MIN 100 – MAX 500	×	×	×	×	×	
Art. 455 Penal code	Spending and introduction into the state, without concert, of counterfeit coins	MIN 100 – MAX 500	×	×	×	×	×	Penalties reduced by one third to half referred to in articles 453 and 454
Art. 457 Penal code	Spending counterfeit coins received in good faith	MIN 100 – MAX 200						
Art. 459 Penal code	Falsification of revenue stamps, introduction into the State, purchase, holding or entry into circulation of falsified revenue stamps	MIN 100 – MAX 528	×	×	×	×	×	
Art. 460 Penal code	Counterfeiting of watermarked paper in use for the manufacture of public credit cards or stamps	MIN 100 – MAX 500	×	×	×	×	×	
Art. 461 Penal code	Manufacture or possession of watermarks or tools intended to counterfeit coins, stamps or watermarked paper	MIN 100 – MAX 500	×	×	×	×	×	

Art. 464, paragraph 1 Penal code	Use of counterfeit or altered stamp values	MIN 100 – MAX 300						
Art. 464, paragraph 2 Penal code	Use of counterfeit or altered stamp values	MIN 100 – MAX 200						
Art. 473 Penal code	Counterfeiting, alteration or use of distinctive signs of intellectual works or industrial products	MIN 100 – MAX 500	×	×	×	×	×	
Art. 474 Penal code	Introduction into the state and trade in products with false signs	MIN 100 – MAX 500	×	×	×	×	×	

**Art. 25 bis 1**  
**Crimes against industry and commerce**  
*[article introduced by art. 15 of Law no. 99/2009]*

Art. 513 Penal code	Disturbed freedom of industry or commerce	MIN 100 – MAX 500						
Art. 513 bis Penal code	Unlawful competition with threats or violence	MIN 100 – MAX 800	×	×	×	×	×	
Art. 514 Penal code	Fraud against national industries	MIN 100 – MAX 800	×	×	×	×	×	
Art. 515 Penal code	Fraud in the exercise of trade	MIN 100 – MAX 500						
Art. 516 Penal code	Sale of non-genuine foodstuffs as genuine	MIN 100 – MAX 500						
Art. 517 Penal code	Sale of industrial products with false signs	MIN 100 – MAX 500						
Art. 517 ter Penal code	Manufacture and sale of goods made by usurping industrial property rights	MIN 100 – MAX 500						
Art. 517 quater Penal code	Counterfeiting of geographical indications or denominations of origin of agri-food products	MIN 100 – MAX 500						

**Art. 25 ter**  
**Corporate crimes**

*[article introduced by art. 3 of Legislative Decree no. 61/2002 and amended by art. 12, paragraph 1 of Law no. 69/2015]*

*If, following the commission of the offenses indicated in paragraph 1 of this article, the entity has made a significant profit, the pecuniary sanction is increased by a third*

Art. 2621 Civil code	False social communications	MIN 200 – MAX 400						
Art. 2621-bis Civil code	False corporate communications in unlisted companies / Small facts	MIN 100 – MAX 200						
Art. 2622 Civil code	False corporate communications from listed companies	MIN 400 – MAX 600						
Art. 2623, paragraph 1 Civil code	False offense in elevation	MIN 100 – MAX 300						
Art. 2623, paragraph 2 Civil code	False crime in elevation	MIN 200 – MAX 300						
Art. 2624, paragraph 1 Civil code	Counterfeiting of false statements in the reports or communications of the auditing firms	MIN 100 – MAX 300						
Art. 2624, paragraph 2 Civil code	Crime of falsehood in the reports or communications of the auditing firms	MIN 200 – MAX 400						
Art. 2625, paragraph 2 Civil code	Prevented control	MIN 100 – MAX 180						
Art. 2626 Civil code	Undue return of contributions	MIN 100 – MAX 180						
Art. 2627 Civil code	Illegal distribution of profits and reserves	MIN 100 – MAX 130						
Art. 2628 Civil code	Unlawful transactions on the shares or company shares or of the parent company	MIN 100 – MAX 180						
Art. 2629 Civil code	Transactions prejudicial to creditors	MIN 150 – MAX 330						
Art. 2629-bis Civil code	Failure to disclose conflict of interest	MIN 200 – MAX 500						
Art. 2632 Civil code	Fictitious formation of capital	MIN 100 – MAX 180						
Art. 2633 Civil code	Undue distribution of company assets by liquidators	MIN 150 – MAX 330						
Art. 2635 Civil code	Bribery between private individuals	MIN 400 – MAX 600	×	×	×	×	×	
Art. 2635-bis Civil code	Incitement to corruption between private individuals	MIN 200 – MAX 400	×	×	×	×	×	

Art. 2636 Civil code	Unlawful influence on the assembly	MIN 150 – MAX 330						
Art. 2637 Civil code	Price Manipulation	MIN 200 – MAX 500						
Art. 2638 paragraphs 1 and 2 Civil code	Obstacle to the exercise of the functions of public supervisory authorities	MIN 200 – MAX 400						
<b>Art. 25 quater</b>								
<b>Crimes with the purpose of terrorism or subversion of the democratic order</b>								
<i>[article introduced by art. 3 Law no. 7/2003]</i>								
<u>If the entity or an organizational unit is permanently used for the sole or main purpose of allowing or facilitating the commission of the offenses indicated in paragraph 1 of this article, the sanction of the definitive interdiction from the exercise of the activity pursuant to Article 16, paragraph 3</u>								
<u>The provisions of this article also apply in relation to the commission of crimes, other than those indicated in paragraph 1, which have in any case been committed in violation of the provisions of article 2 of the International Convention for the suppression of terrorist financing in New York on December 9, 1999</u>								
In relation to the commission of crimes involving terrorism or democratic subversion, provided for by the penal code and by special laws, the following sanctions are applied to entities:								
a) if the crime is punished with a prison sentence of less than 10 years		MIN 200 – MAX 700	✘	✘	✘	✘	✘	
b) if the crime is punished with a prison sentence of NOT less than 10 years or with life imprisonment		MIN 400 – MAX 1000	✘	✘	✘	✘	✘	
<b>Art. 25 quater 1</b>								
<b>Mutilation practices of female genital organs</b>								
<i>[article introduced by art. 8 of Law no. 7/2006]</i>								
<u>If the entity or an organizational unit is permanently used for the sole or main purpose of allowing or facilitating the commission of the offenses indicated in paragraph 1 of this article, the sanction of the definitive interdiction from the exercise of the activity pursuant to Article 16, paragraph 3</u>								
Art. 583 bis Penal code	Mutilation practices of female genital organs	MIN 300 – MAX 700	✘	✘	✘	✘	✘	
<b>Art. 25 quinquies</b>								
<b>Crimes against the individual personality</b>								
<i>[article introduced by art. 5 of Law no. 228/2003]</i>								
<u>If the entity or an organizational unit is permanently used for the sole or main purpose of allowing or facilitating the commission of the offenses indicated in paragraph 1 of this article, the sanction of the definitive interdiction from the exercise of the activity pursuant to Article 16, paragraph 3</u>								
Art. 600 Penal code	Reduction or maintenance in slavery or servitude	MIN 400 – MAX 1000	✘	✘	✘	✘	✘	

Art. 600 bis, paragraph 1 Penal code	Child prostitution	MIN 300 – MAX 800	×	×	×	×	×	
Art. 600 bis, paragraph 2 Penal code	Child prostitution	MIN 200 – MAX 700						
Art. 600 ter, paragraphs 1 and 2 Penal code	Child pornography	MIN 300 – MAX 800	×	×	×	×	×	
Art. 600 ter, paragraphs 3 and 4 Penal code	Child pornography	MIN 200 – MAX 700						
Art. 600 quater Penal code	Possession of pornographic material	MIN 200 – MAX 700						
Art. 600 quater 1 Penal code	Virtual pornography	MIN 300 – MAX 800	×	×	×	×	×	
Art. 600 quinquies Penal code	Tourist initiatives aimed at exploiting child prostitution	MIN 300 – MAX 800	×	×	×	×	×	
Art. 601 Penal code	Trafficking in people	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 602 Penal code	Purchase and sale of slaves	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 603-bis Penal code	Illicit intermediation and exploitation of work	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 609-undecies Penal code	Solicitation of minors	MIN 200 – MAX 700						

**Art. 25 sexies  
Market abuse**

*[article introduced by art. 9 of Law no. 62/2005]*

If, following the commission of the offenses provided for in this article, the entity has achieved a profit or a product of significant size, the penalty is increased up to 10 times the amount of such profit or product

Part V, Title I-bis, Chapter II Consolidated text of Legislative Decree no. 58/1998	Crimes of abuse of privileged information and market manipulation	MIN 400 – MAX 1000						
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**Art. 25 septies**

**Manslaughter and serious or very serious culpable injuries committed in violation of the rules on the protection of health and safety at work**

*[article introduced by art. 9 of Law no. 123/2007 and replaced by art. 300 of Legislative Decree no. 81/2008]*

Art. 589 Penal code	Murder	MIN 1000 – MAX 1000	×	×	×	×	×	It applies to the following types of companies:
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<p>committed in violation of art. 55, paragraph 2 of Legislative Decree implementing the delegation pursuant to Law 123/2007 on workplace health and safety</p>								<p>2. In the cases referred to in paragraph 1, letter a), the sentence of arrest of four to eight months applies if the violation is committed:  a) in the companies referred to in Article 31, paragraph 6, letters a), b), c), d), f) and g);  b) in companies where activities are carried out which expose workers to biological risks referred to in Article 268, paragraph 1, letters c) and d), from explosive atmospheres, mutagenic carcinogens, and from maintenance, removal, disposal and remediation activities of asbestos;  c) for the activities governed by Title IV characterized by the presence of several companies and whose presumed working entity is not less than 200 men-day</p>
<p>Art. 589 Penal code committed in violation of the rules on the protection of health and safety at work</p>	<p>Murder</p>	<p>MIN 250 – MAX 500</p>	<p>✘</p>	<p>✘</p>	<p>✘</p>	<p>✘</p>	<p>✘</p>	<p>It applies to companies other than the above</p>
<p>Art. 590, paragraph 3 Penal code committed in violation of the rules on the protection of health and safety at work</p>	<p>Personal injury</p>	<p>MIN 100 – MAX 250</p>	<p>✘</p>	<p>✘</p>	<p>✘</p>	<p>✘</p>	<p>✘</p>	<p>Article 583 Penal code (aggravating circumstances) Personal injury is serious, and imprisonment of three to seven years applies:  1) if the event results in a disease that endangers the life of the offended person, or an illness or an inability to wait for ordinary jobs for more than forty days;  2) if the event produces the permanent weakening of a sense or an organ.</p>

								<p>The personal injury is very serious, and imprisonment of six to twelve years is applied, if the fact derives from:</p> <p>1) a disease that is certainly or probably incurable;  2) the loss of meaning;  3) the loss of a limb, or a mutilation that makes the limb unusable, or the loss of the use of an organ or the ability to procreate, or a permanent and serious difficulty in the speech;  4) deformation, or permanent scarring of the face</p>
<b>Art. 25 octies</b> <b>Receiving stolen goods, money laundering and use of money, goods or benefits of illegal origin, as well as self-laundering</b> <i>[article introduced by art. 63 of Legislative Decree no. 231/2007]</i>								
Art. 648 Penal code	Receiving	MIN 200 – MAX 800	✘	✘	✘	✘	✘	
Art. 648 Penal code	Receiving	MIN 400 – MAX 1000	✘	✘	✘	✘	✘	In the event that money, goods or other utilities come from a crime for which the sentence of imprisonment exceeding a maximum of five years is established
Art. 648-bis Penal code	Recycling	MIN 200 – MAX 800	✘	✘	✘	✘	✘	
Art. 648-bis Penal code	Recycling	MIN 400 – MAX 1000	✘	✘	✘	✘	✘	In the event that money, goods or other utilities come from a crime for which the sentence of imprisonment exceeding a maximum of five years is established
Art. 648-ter Penal code	Use of money, goods or benefits of illegal origin	MIN 200 – MAX 800	✘	✘	✘	✘	✘	



Art. 648-ter Penal code	Use of money, goods or benefits of illegal origin	MIN 400 – MAX 1000	×	×	×	×	×	In the event that money, goods or other utilities come from a crime for which the sentence of imprisonment exceeding a maximum of five years is established
Art. 648-ter 1 Penal code	Self laundering	MIN 200 – MAX 800	×	×	×	×	×	If the offense provides imprisonment of less than 10 years
Art. 648-ter 1 Penal code	Self laundering	MIN 400 – MAX 1000	×	×	×	×	×	If the offense involves imprisonment of not less than 10 years or life imprisonment
<b>Art. 25 novies</b> <b>Copyright infringement crimes</b> <i>[article introduced by art. 15, paragraph 7 of Law no. 99/2009]</i>								
Artt. 171, paragraph 1, lett. a-bis) and paragraph 3, 171-bis, 171-ter, 171-septies and 171-octies Law no. 633/1941	Copyright infringement crimes	MIN 100 – MAX 500	×	×	×	×	×	
<b>Art. 25 decies</b> <b>Inducement not to make statements or to make false statements to the judicial authority</b> <i>[article introduced by art. 4 of Law no. 116/2009 as replaced by art. 2 of Legislative Decree no. 121/2011]</i>								
Art. 377-bis Penal code	Inducement not to make statements or to make false statements to the judicial authority	MIN 100 – MAX 500						
<b>Art. 25 undecies</b> <b>Environmental crimes</b> <i>[article introduced by art. 4 of Law no. 116/2009 as replaced by art. 2 of Legislative Decree no. 121/2011]</i>								
Art. 452 bis Penal code	Environmental pollution	MIN 250 – MAX 600	×	×	×	×	×	
Art. 452 quater Penal code	Environmental disaster	MIN 400 – MAX 800	×	×	×	×	×	
Art. 452 quinquies Penal code	Culpable crimes against the environment	MIN 200 – MAX 500						

Art. 452 sexies Penal code	Trafficking and abandonment of material to other radioactivity	MIN 250 – MAX 600						
Art. 452 octies Penal code	Aggravating association crimes	MIN 300 – MAX 1000						
Art. 727 bis Penal code	Killing, destruction, capture, collection, possession of specimens of protected wild animal or plant species	MIN 100 – MAX 250						
Art. 733 bis Penal code	Destruction or deterioration of habitats within a protected site	MIN 150 – MAX 250						
Art. 137, paragraph 2 Legislative Decree no. 152/06	Discharge of industrial waste water containing dangerous substances	MIN 200 – MAX 300	×	×	×	×	×	
Art. 137, paragraph 3 Legislative Decree no. 152/06	Discharges of industrial waste water containing dangerous substances inconsistent with prescriptions	MIN 150 – MAX 250						
Art. 137 paragraph 5 first part Legislative Decree no. 152/06	Discharge of industrial waste water containing dangerous substances beyond the limit values	MIN 150 – MAX 250	×	×	×	×	×	
Art. 137 paragraph 5 second part Legislative Decree no. 152/06	Discharge of industrial waste water containing dangerous substances beyond the limit values	MIN 200 – MAX 300						
Art. 137 paragraph 11 Legislative Decree no. 152/06	Discharges on soil, subsoil and groundwater	MIN 200 – MAX 300	×	×	×	×	×	
Art. 137 paragraph 13 Legislative Decree no. 152/06	Discharge of prohibited substances from ships or aircraft	MIN 150 – MAX 250						
Art. 187 Legislative Decree no. 152/06	Prohibition of mixing hazardous waste	MIN 150 – MAX 250						
Art. 256 paragraph 1 Legislative Decree no. 152/06	Unauthorized waste management activity.	MIN 100 – MAX 250						
Art. 256 paragraph 3 Legislative Decree no. 152/06	Unauthorized landfill	MIN 150 – MAX 300	×	×	×	×	×	

Art. 256 paragraph 5 Legislative Decree no. 152/06	Mixing of waste	MIN 150 – MAX 250						
Art. 256 paragraph 6 Legislative Decree no. 152/06	Temporary storage of hazardous medical waste	MIN 100 – MAX 250						
Art. 257 paragraph 1 Legislative Decree no. 152/06	Remediation of sites	MIN 100 – MAX 250						
Art. 257 paragraph 2 Legislative Decree no. 152/06	Remediation of sites from dangerous substances	MIN 150 – MAX 250						
Art. 258 paragraph 4 Legislative Decree no. 152/06	Violation of reporting obligations, keeping of mandatory registers and forms	MIN 150 – MAX 250						
Art. 259 paragraph 1 Legislative Decree no. 152/06	Illicit trafficking of waste	MIN 150 – MAX 250						
Art. 260 paragraph 1 Legislative Decree no. 152/06 now Art. 452 quaterdecies Penal code	Activities organized for the illicit trafficking of waste	MIN 300 – MAX 500	×	×	×	×	×	
Art. 260 paragraph 2 Legislative Decree no. 152/06 now Art. 452 quaterdecies Penal code	Activities organized for the illicit trafficking of highly radioactive waste	MIN 400 – MAX 800	×	×	×	×	×	
Art. 260 bis paragraphs 6, 7 and 8 first part Legislative Decree no. 152/06	Supervision and control regarding waste management	MIN 150 – MAX 250						
Art. 260 bis paragraph 8 second part Legislative Decree no. 152/06	Supervision and control regarding waste management	MIN 200 – MAX 300						
Art. 279 paragraph 5 Legislative Decree no. 152/06)	Exceeding emission and air quality limit values	MIN 100 – MAX 250						
Art. 1 paragraph 1 Law no. 150/92	Discipline of offenses relating to the application in Italy of the convention on international trade in	MIN 100 – MAX 250						

	endangered animal and plant species							
Art. 1 paragraph 2 Law no. 150/92	Discipline of offenses relating to the application in Italy of the convention on international trade in endangered animal and plant species	MIN 150 – MAX 250						
Art. 2 paragraphs 1 and 2 Law no. 150/92	Discipline of offenses relating to the application in Italy of the convention on international trade in endangered animal and plant species	MIN 100 – MAX 250						
Art. 6 paragraph 4 Law no. 150/92	Discipline of offenses relating to the application in Italy of the convention on international trade in endangered animal and plant species	MIN 100 – MAX 250						
Art. 3 bis paragraph 1 Law no. 150/92	Discipline of offenses relating to the application in Italy of the convention on international trade in endangered animal and plant species	MIN 100 – MAX 500						
Art. 3 paragraph 6 Law no. 549/93	Measures to protect stratospheric ozone and the environment	MIN 150 – MAX 250						
Art. 8 paragraphs 1 and 2 Legislative Decree no. 202/07	Malicious pollution caused by ships	MIN 150 – MAX 300	×	×	×	×	×	
Art. 9 paragraph 1 Legislative Decree no. 202/07	Culpable pollution caused by ships	MIN 100 – MAX 250						
Art. 9 paragraph 2 Legislative Decree no. 202/07	Culpable pollution caused by ships	MIN 150 – MAX 250	×	×	×	×	×	

**Art. 25 duodecies**

**Employment of third-country nationals whose stay is irregular**

<i>[article introduced by art. 4 of Law no. 116/2009 as replaced by art. 2 of Legislative Decree no. 121/2011]</i>								
Art. 22 paragraph 12-bis Legislative Decree no. 286/98	Employment of third-country nationals whose stay is irregular	MIN 100 – MAX 200*						* within the limit of 150,000 Euro
Art. 12, paragraphs 3, 3-bis and 3-ter, of the consolidated text pursuant to Legislative Decree no. 286/98	Provisions against illegal immigration	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 12 paragraph 5 of the consolidated text pursuant to Legislative Decree no. 286/98	Provisions against illegal immigration	MIN 100 – MAX 200	×	×	×	×	×	
<b>Art. 25 terdecies</b> <b>Racism and xenophobia</b>								
<i>[article introduced by art. 5, paragraph 2 of the so-called European Law 2017 definitively approved on November 8, 2017 and converted with Law no. 167/2017]</i>								
<u>If the entity or an organizational unit is permanently used for the sole or main purpose of allowing or facilitating the commission of the offenses indicated in paragraph 1 of this article, the sanction of the definitive interdiction from the exercise of the activity pursuant to Article 16, paragraph 3</u>								
Art. 3, paragraph 3 bis Law no. 654/1975 (reference to be understood referred to in art. 604 bis Penal Code pursuant to art. 7 of Legislative Decree no. 21/2018)	Racism and Xenophobia Propaganda and incitement to commit crimes on grounds of racial, ethnic and religious discrimination	MIN 200 – MAX 800	×	×	×	×	×	
<b>Art. 25 quaterdecies</b> <b>Fraud in sports competitions, abusive gambling or gambling and games of chance exercised by means of prohibited devices</b>								
Art. 1 Law no. 401/1989	Fraud in sports competitions	MIN 100 – MAX 500	×	×	×	×	×	
Art. 4 Law no. 401/1989	Abusive exercise of gambling or betting activities	MIN 100 – MAX 500	×	×	×	×	×	
<b>Art. 25 quinquiesdecies</b> <b>Tax crimes</b>								
<i>[article introduced by art. 39 of Law Decree no. 124/2019]</i>								
<u>If, following the commission of the crimes indicated in this article, the entity has made a significant profit, the pecuniary sanction is increased by a third</u>								
Art. 2 paragraph 1 Legislative Decree no. 74/2000	Fraudulent declaration through the use of invoices or other	MIN 100 – MAX 500			×	×	×	

	documents for non-existent operations							
Art. 2 paragraph 2-bis Legislative Decree no. 74/2000	Fraudulent declaration through the use of invoices or other documents for non-existent operations	MIN 100 – MAX 400			×	×	×	
Art. 3 Legislative Decree no. 74/2000	Fraudulent declaration through other devices	MIN 100 – MAX 500			×	×	×	
Art. 8 paragraph 1 Legislative Decree no. 74/2000	Issuing of invoices or other documents for non-existent operations	MIN 100 – MAX 500			×	×	×	
Art. 8 paragraph 2-bis Legislative Decree no. 74/2000	Issuing of invoices or other documents for non-existent operations	MIN 100 – MAX 400			×	×	×	
Art. 10 Legislative Decree no. 74/2000	Concealment or destruction of accounting documents	MIN 100 – MAX 400			×	×	×	
Art. 11 Legislative Decree no. 74/2000	Fraudulent removal from the payment of taxes	MIN 100 – MAX 400			×	×	×	
Art. 4 Legislative Decree no. 74/2000	False tax declaration	MAX 300			×	×	×	
Art. 5 Legislative Decree no. 74/2000	Omitted declaration	MAX 400			×	×	×	
Art. 10-quater Legislative Decree no. 74/2000	Undue compensation	MAX 400			×	×	×	
<b>Art. 25 sexiesdecies (article introduced by Law Decree no. 75/2020)</b>								
Artt. 282-301 DPR no. 43/1973	Smuggling	MAX 200			×	×	×	
<b>Transnational crimes (Law no. 146 of 16 March 2006, art. 10)</b>								
Art. 377 bis Penal code	Inducement not to make statements or to make false statements to the judicial authority	MIN 100 – MAX 500						
Art. 378 Penal code	Personal aiding	MIN 100 – MAX 500						
Art. 416 Penal code	Criminal association	MIN 400 – MAX 1000	×	×	×	×	×	

Art. 416 bis Penal code	Mafia-type association	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 291 quater Penal code	Criminal association aimed at smuggling foreign manufactured tobaccos	MIN 400 – MAX 1000	×	×	×	×	×	
Art. 74 Presidential Decree no. 309/90	Association aimed at the illicit trafficking of narcotic or psychotropic substances	MIN 400 – MAX 1000						
Art. 12, paragraphs 3, 3 bis, 3 ter and 5 Penal code	Provisions against illegal immigration	MIN 200 – MAX 1000	×	×	×	×	×	

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**Art. 9 Administrative penalties**

1. The penalties for administrative offenses dependent on a crime are:

- a) financial penalty;
- b) disqualification sanctions;
- c) confiscation;
- d) publication of the sentence.

2. The disqualification sanctions are:

- a) disqualification from carrying out the activity;
- b) suspension or revocation of authorizations, licenses or concessions functional to the commission of the crime;
- c) prohibition on contracting with the public administration, except for obtaining a public service;
- d) exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- e) ban on advertising goods or services.

**Art. 10 Administrative pecuniary sanction**

- 1. A financial penalty is always applied for the administrative offense dependent on a crime.
- 2. The financial penalty is applied for shares in a number not less than one hundred or more than one thousand.
- 3. The amount of a share ranges from a minimum of five hundred thousand lire [value in Euro 258.23] to a maximum of three million lire [value in Euro 1.549.37].
- 4. Reduced payment is not allowed.

**Art. 17 Repair of the consequences of the crime**

1. Without prejudice to the application of financial penalties, the disqualification sanctions do not apply when, before the opening of the first instance hearing, the following conditions are met:

- a) the entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case effectively taken action in this regard;

- b) the entity has eliminated the organizational deficiencies that led to the crime by adopting and implementing organizational models suitable for preventing crimes of the type that occurred;
- c) the entity has made available the profit achieved for confiscation purposes.

***Art. 18 Publication of the sentence***

- 1. The publication of the sentencing sentence can be ordered when a disqualification sanction is applied against the entity.
- 2. The publication of the sentence takes place pursuant to art. 36 of the penal code as well as by posting in the municipality where the entity has its main office.
- 3. The publication of the sentence is carried out by the judge's registry, at the entity's expense.

***Art. 19 Confiscation***

- 1. Confiscation of the price or profit of the offense is always ordered with the sentence, except for the part that can be returned to the injured party. Rights acquired by third parties in good faith are reserved.
- 2. When it is not possible to carry out the confiscation pursuant to paragraph 1, the same may have as its object sums of money, goods or other utilities of equivalent value to the price or profit of the crime.

***Art. 20 Reiteration***

- 1. A reiteration occurs when the entity, already definitively convicted at least once for an offense dependent on a crime, commits another in the five years following the definitive sentence.

***Art. 21 Plurality of offenses***

- 1. When the entity is responsible in relation to a plurality of crimes committed with a single action or omission or committed in carrying out the same activity and before one of them has been pronounced, even if not definitive, a pecuniary sanction is applied expected for the most serious offense increased to three times. As a result of this increase, the amount of the financial penalty cannot in any case exceed the sum of the penalties applicable for each offense.
- 2. In the cases referred to in paragraph 1, when in relation to one or more of the offenses the conditions for the application of the disqualification sanctions are met, the one foreseen for the most serious offense applies.

***Art. 22 Prescription***

- 1. Administrative penalties are prescribed within five years from the date of the offense.
- 2. The request for the application of precautionary disqualification measures and the contestation of the administrative offense pursuant to Article 59 interrupt the limitation period.
- 3. As a result of the interruption, a new limitation period begins.
- 4. If the interruption took place by contesting the administrative offense dependent on a crime, the prescription does not run until the moment in which the sentence defining the judgment becomes final.

***Art. 23 Failure to comply with disqualification sanctions***

- 1. Anyone, in carrying out the activity of the entity to which a sanction or a disqualification precautionary measure has been applied, transgresses the obligations or prohibitions inherent in such sanctions or measures, is punished with imprisonment from six months to three years.
- 2. In the case referred to in paragraph 1, against the entity in the interest or for the benefit of which the crime was committed, the administrative fine of two hundred and six hundred quotas is applied and the confiscation of the profit, pursuant to article 19.



3. If the entity has made a significant profit from the offense referred to in paragraph 1, the penalties apply.