CA AUTO BANK S.P.A.

"COMPLIANCE PROGRAM"

PURSUANT TO LEGISLATIVE DECREE 231/2001"

Approved by the Board of Directors on 20 April 2023

INDICE

DEFINIZIONI

- “Supervision Authorities”: Public Authorities (under article 2638 of the Italian civil code) that supervise the Company’s activities, such as Bank of Italy, Consob and/or other Authorities (e.g. Privacy Authority, Antitrust Authority, etc.);

- “NCLA”: National Collective Labour Agreements currently in force as applied by CA Auto Bank;

- "Code of Conduct": the principles of "company ethics" recognised as its own and on which the Company calls for compliance by all Employees, Corporate Bodies, Consultants and Partners, available at www.ca-autobank.com);

- "Board of Directors (also BoD)": the Board of Directors of CA Auto Bank S.p.A.;

- "Collaborators": persons who have non-subordinate collaborative relations with the Company, commercial representation and other relations that take the form of professional services not of a subordinate nature, whether continuous or occasional, as well as those who, by virtue of specific mandates and proxies, represent the Company towards third parties, including collaborators of foreign branches;

- "Consultants": persons who have a collaborative relationship with the Company without the obligation of subordination and who are asked to provide a service in particularly complex matters, including the consultants of foreign branches;

- "Addressees": the persons to whom the provisions of the Model apply and listed in Section II, paragraph 1.4;

- "Employees": the persons subject to the management or supervision of persons with functions of representation, administration or management of the Company, i.e. all persons who have an employment relationship of any nature with the Company, as well as workers with para-subordinate employment contracts, including employees of foreign branches;

- "Legislative Decree No. 231/01": Legislative Decree No. 231 of 8 June 2001, containing the "Discipline of the administrative responsibility of legal entities, companies and associations, including those without legal personality, pursuant to Article 11 of Law No. 300 of 29 September 2000", in its content in force from time to time

- "CA Auto Bank": CA Auto Bank S.p.A. with registered office in Turin, Corso Orbassano n.367, which shall also be referred to in the document as the "Company";

- "Suppliers": those who supply goods or services to CA Auto Bank, including suppliers of foreign branches;

- "Group": CA Auto Bank S.p.A. and the Companies directly and indirectly controlled by it;

- "Drivalia": Drivalia S.p.A. with sole shareholder;

- "Reference Guidelines": the Guidelines for the construction of the Models of

- Organisation, Management and Control Models pursuant to Legislative Decree 231/01 approved by Confindustria on 7 March 2002 and subsequent amendments and additions;

- "Model": Organisation, Management and Control Model adopted pursuant to Articles 6 and 7 of Legislative Decree 231/2001;

- “Compliance Program”, Organisation, Management and Control Model adopted pursuant to Articles 6 and 7 of Legislative Decree 231/2001;

- "Management Body": the Board of Directors of CA Auto Bank;

- "Corporate Bodies": the members of the Board of Directors and Board of Statutory Auditors of CA Auto Bank;

- "Supervisory Body (also Body or SB)": the Body of the Entity endowed with autonomous powers of initiative and control, with the task of supervising the adequacy, functioning and observance of the Model, as well as ensuring that it is updated;

- "P.A.": the Public Administration, including its officials and persons in charge of a public service;

- "Partners": natural or legal persons (temporary business associations - ATI, joint ventures, consortia, etc.), with whom CA Auto Bank enters into any form of contractually regulated collaboration, or CA Auto Bank's contractual counterpart(s), both natural and legal persons (e.g. suppliers, customers, etc.) when destined to cooperate on an ongoing basis with the company in the area of Sensitive Processes, including partners in foreign branches;

- "Sensitive Processes": activities of CA Auto Bank within the scope of which there is a risk of offences being committed;

- "Instrumental Processes": activities of CA Auto Bank which, although not directly at risk of commission of Offences (as defined below), are nevertheless instrumental and/or functional to the commission of the same;

- "Crimes": the Crimes to which the provisions of Legislative Decree 231/01 (also possibly integrated in the future) apply;

- "Internal Control System" or "ICS": an internal control system suitable for continuously detecting, measuring and verifying the risks of the activity carried out by CA Auto Bank, which consists of internal regulations such as: company procedures, documentation and provisions relating to the hierarchical-functional and organisational structure of the company, and the management control system

- "Service Companies": companies carrying out service activities in favour of companies of the CA Auto Bank Group, including CA Auto Bank S.p.A. itself and other companies of the Group and companies of the Shareholders' Group, through a specific service contract.

- "Whistleblower": a person who makes reports of unlawful conduct or violations of the Organisation, Management and Control Model, of which he/she has become aware by reason of his/her duties.

INTRODUCTION

CA Auto Bank S.p.A. (hereinafter also referred to as "CA Auto Bank" or "Company" or "Bank"), a subsidiary of Crédit Agricole Consumer Finance (itself part of Crédit Agricole S.A.), was born out of the agreements between the French Group and Stellantis, announced in 2021, as part of the reorganisation of the two companies' financial partnerships.
CA Auto Bank is a digital bank specialising in sustainable mobility. Operating in 18 countries, it combines a wide range of financing, rental and mobility services with innovative and flexible banking products.
The company is registered in the Bank of Italy's Register of Banks ABI No. 3445. In addition, it is the Parent Company of the CA Auto Bank Group, registered in the Banking Group Register and is also registered in the Single Register of Insurance Intermediaries (RUI) No. D000164561.
The CA Auto Bank Group operates by managing the following financial services:

- **Wholesale Financing**: financial activities vis-à-vis the dealer network of the relevant car brands;
- **Retail Financing**: retail financing to support manufacturers' sales by cooperating with their brands;
- **Long Term Rental**: long-term rental business.

In addition, the Bank offers further banking products such as, for example, Deposit Accounts, Non-Purpose Loans and Credit Cards.
The companies belonging to the CA Auto Bank Group operate not only in Italy, but also in France; Spain; Portugal; Germany; Belgium; the Netherlands; Greece; Austria; Switzerland; the United Kingdom; Ireland; Poland; Denmark; Sweden; Norway; Finland; and Morocco. A process is currently being implemented to reorganise foreign subsidiaries by merging them into the parent company and setting up branches.
By resolution of the Board of Directors on 17 December 2007, the Company adopted the first edition of this Organisation, Management and Control Model pursuant to and for the purposes of Legislative Decree No. 231 of 8 June 2001.
The edition currently in force is the one resulting from the update approved by resolution of the Board of Directors on 20 April 2023.

1. Dealings with Subsidiaries

In its capacity as parent company, CA Auto Bank may provide services to Group companies that may involve activities and operations at risk as referred to in the Sensitive/Intangible Processes of this Model.

These relationships are regulated by specific intra-group contracts.

These services are provided in compliance with the provisions of the Code of Conduct and the Model adopted by the Company and are regulated by specific written contracts.

2. Relations with foreign subsidiaries and branches of CA Auto Bank

2.1. Relations with foreign subsidiaries

The foreign subsidiaries of CA Auto Bank, although not included among the addressees of this Model, are obliged to observe the "231 Guidelines", containing rules of conduct that foreign subsidiaries undertake to adopt in the course of their corporate activities, in order to mitigate the risk that conduct may be committed which, under Italian law, may constitute predicate offences pursuant to Legislative Decree 231/01.

2.2. Relations with foreign branches

As mentioned above, CA Auto Bank has established branches in France, Ireland, Belgium, Poland, Germany, Spain and Portugal.

The provisions contained in this Model also apply to foreign branches.

In particular, in order to ensure compliance by foreign branches with the provisions contained in this Model, CA Auto Bank guarantees continuous coordination and liaison between its activities and those of foreign branches.

This coordination and liaison activity is also achieved by establishing continuous information flows between the Recipients operating at the Company and at the foreign branches, with particular reference to the activities falling within the Sensitive and Instrumental Processes listed in this Model.

Furthermore, in order to ensure compliance with the provisions of the Model by the foreign branches, the Company guarantees:

- that the training activities referred to in Section III of the General Part of the Model are also provided to the exponents of the foreign branches
- that information flows to the Supervisory Body are also received by the exponents of the foreign branches;
- that the supervisory activities performed by the Supervisory Body also include, within its scope, the activities falling within the Sensitive and Instrumental Processes performed by the foreign branches.

3. CA Auto Bank's Corporate Governance

CA Auto Bank has a traditional corporate governance structure in which there is a Board of Directors and a Board of Statutory Auditors as the controlling body.

The Board of Directors, consisting of ten members who may be re-elected, holds office for three years and lapses on the date of approval of the financial statements for the third financial year. Since 2014, the Board of Directors has had its own Rules of Procedure, relating to its qualitative

and quantitative composition and operating methods, supplementing the provisions of the law and the Company's Articles of Association.

Responsibility for the Internal Control System lies with the Board of Directors, which sets its guidelines and periodically verifies its adequacy and effective functioning, ensuring that the main corporate risks are identified and managed correctly by the CEO and management.

The Company has based its Internal Control System on the following main elements:

- Second and third level control functions: Compliance, Risk and Permanent Control and Internal Audit
- Code of Conduct, containing the rules of conduct and principles of a general nature to be observed by all internal and external parties having directly or indirectly
- a relationship with the Company and with each of the subsidiaries forming part of the CA Auto Bank Group;
- System of delegations and powers, defined by the Board of Directors or the Managing Director, based on the relevance of the various organisational positions, in line with the responsibilities assigned and periodically updated according to changes in the organisational structure;
- Procedural system, consisting of Company and Group procedures, operating instructions and internal communications aimed at clearly and effectively regulating the relevant processes and establishing operating methods and control measures for the performance of Company activities.

The Board of Statutory Auditors is composed of three standing members and two alternate members, who remain in office for three financial years and expire on the date of the shareholders' meeting called to approve the financial statements for the third year of office. The Board of Statutory Auditors is entrusted with the task of supervising the completeness, adequacy, functionality and reliability of the internal control system and the Risk Appetite Framework (RAF).

The auditing of the accounts is entrusted to an auditing company, duly registered in the appropriate register and in possession of the legal requirements. The appointment is made by the Shareholders' Meeting on the basis of a reasoned proposal by the Board of Statutory Auditors. The auditing firm's term of office lasts nine years and ends with the Shareholders' Meeting to approve the financial statements of the ninth year.

AUTO BANK

SECTION I

INTRODUCTION

1. Legislative Decree n. 231/01 and the relevant normative

On 8 June 2001, Legislative Decree 231/01 was enacted - in execution of the delegation referred to in Article 11 of Law 300 of 29 September 2000. It came into force on the following 4 July and brought domestic legislation on the liability of legal persons into line with certain international conventions to which Italy has long adhered.

Legislative Decree No. 231 of 8 June 2001 (hereinafter referred to as the 'Decree' or 'Legislative Decree 231/2001') introduced into our legal system the administrative liability of legal persons, companies and associations, including those without legal personality (hereinafter referred to as 'Entities') in the event of the commission or attempted commission of certain types of offences or administrative offences, in the interest or to the advantage of the Entity, by:

- persons holding functions of representation, administration or management of the Entity or of one of its Organisational Units with financial and functional autonomy, as well as by natural persons who exercise, also de facto, the management and control of the same (so-called 'Senior Executives');
- persons "Subordinated" to the management or supervision of the persons referred to in the previous point.

This is a liability which, despite being defined as 'administrative' by the legislator, has the characteristics of criminal liability because:

- it follows the commission of offences;
- it is ascertained by the criminal court (in the course of proceedings in which the procedural provisions relating to the defendant apply to the Entity, where compatible).

The liability of the Entity, pursuant to the Decree, is in addition to and does not replace the (criminal) liability of the perpetrator of the offence: both the natural person and the legal entity will therefore be subject to criminal proceedings.

The sanctions provided for by the Decree against Entities are: i) pecuniary sanctions, ii) disqualification sanctions, iii) confiscation of the price or profit of the offence, iv) publication of the conviction.

Monetary sanctions apply whenever the liability of the legal person is ascertained and are determined by the criminal court through a system based on 'quotas'. Specifically, in commensurating the pecuniary sanction, the judge determines the number of quotas, taking into account the seriousness of the fact, the degree of the entity's liability and the activity carried out to eliminate or mitigate the consequences of the fact and to prevent the commission of further offences. The amount of the quota is set by the Decree between a minimum of EUR 258.23 and a maximum of EUR 1549.37 and is established in concrete terms on the basis of the economic and patrimonial conditions of the entity.

Prohibitory sanctions may apply to certain types of offence and to more serious cases. They take the form of

- in the disqualification from exercising the business activity
- in the suspension and revocation of authorisations, licences or concessions functional to the commission of the offence;
- in the prohibition to contract with the Public Administration (except to obtain the performance of a public service)
- in the exclusion from facilitations, financing, contributions or subsidies and in the possible revocation of those granted;
- in the prohibition to advertise goods or services.
- The prohibitory sanctions shall not be applied (or shall be revoked, if already applied as a precautionary measure) if the Entity, before the declaration of the opening of the first instance hearing, has:
- compensated the damage or repaired it;
- eliminated the harmful or dangerous consequences of the offence (or, at least, took steps to do so);
- made the profit from the offence available to the judicial authorities for confiscation;
- eliminated the organisational deficiencies that led to the offence, adopting organisational models capable of preventing the commission of new offences.

Confiscation consists in the acquisition of the price or profit of the offence by the State or in the acquisition of sums of money, goods or other utilities with a value equivalent to the price or profit of the offence: it does not, however, cover that part of the price or profit of the offence that can be returned to the injured party. Confiscation is always ordered with the conviction.

Publication of the judgment may be imposed when a disqualification sanction is applied to the Entity. It is effected by posting it in the municipality where the Entity has its head office and by publication on the Ministry of Justice website.

The Decree provides for a form of exoneration from administrative liability that operates if the entity proves that it has adopted and effectively implemented, prior to the commission of the offence, an Organisation and Control Model capable of preventing offences of the kind that have occurred.
The decree also specifies the requirements to which the Models must respond. In particular:

- identify the activities within the scope of which the offences provided for in the Decree may be committed
- provide for specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the offences to be prevented
- identify methods of managing financial resources suitable to prevent the commission of such offences;
- provide for obligations to inform the body responsible for supervising the operation of and compliance with the Models
- introduce a disciplinary system capable of sanctioning non-compliance with the measures indicated in the Model.

If the offence is committed by persons in positions of representation, administration or management of the Entity or of one of its organisational units with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control thereof, the Entity shall not be liable if it proves that:

- the management body has adopted and effectively implemented, before the offence was committed, a Model capable of preventing offences of the kind committed;
- the task of supervising the operation of and compliance with the Model and ensuring that it is updated has been entrusted to a body of the Entity endowed with autonomous powers of initiative and control
- the persons have committed the offence by fraudulently circumventing the Model
- there has been no omission or insufficient supervision by the Supervisory Body with regard to the Model.

Where, on the other hand, the offence is committed by persons subject to the management or supervision of one of the above-mentioned persons, the legal person is liable if the commission of the offence was made possible by the failure to comply with the obligations of management and supervision. Such non-compliance is, in any case, excluded if the Entity, before the offence was committed, adopted and effectively implemented a Model capable of preventing offences of the kind committed.

Following the entry into force of Law No. 179 of 30 November 2017, containing "Provisions for the protection of the authors of reports of offences or irregularities of which they have become aware in the context of a public or private employment relationship", the Models must also provide for:

- one or more channels enabling the persons indicated in Article 5(1)(a) and (b) to submit, in order to protect the integrity of the entity, circumstantiated reports of unlawful conduct, relevant under this decree and based on precise and concordant factual elements, or of violations of the entity's organisational and management model, of which they have become aware by reason of the functions performed; these channels guarantee the confidentiality of the identity of the reporter in the management of the report
- at least one alternative reporting channel suitable for guaranteeing, by computerised means, the confidentiality of the identity of the reporter;
- the prohibition of retaliatory or discriminatory acts, direct or indirect, against the reporter for reasons directly or indirectly linked to the report;
- in the disciplinary system adopted pursuant to paragraph 2(e), sanctions against those who breach the measures for the protection of the reporter, as well as against those who make, with malice or gross negligence, reports that turn out to be unfounded.

For a description of the individual types of offence to which the rules in question apply, please refer to the more extensive discussion contained in Annex A to this Model.

2. The Function of the Program under Legislative Decree 231/01

The adoption of the Model, provided for by law as optional and not obligatory, was considered by CA Auto Bank as an important opportunity to implement an "active" prevention of offences, through the strengthening of its Corporate Governance and Internal Control System, as well as the dissemination of appropriate ethical/behavioural principles.

CA Auto Bank has, therefore, adopted and subsequently updated this Organisational Model following a complex activity of identifying the areas exposed, directly or indirectly, to the risk of offences (Sensitive and Instrumental Processes) and their consequent proceduralisation, with the aim of:

- adapt its organisational structure to the provisions of Legislative Decree No. 231 of 8 June 2001
- check the controls already in place in the Company, in order to verify their effectiveness for the purposes of Legislative Decree 231/2001;
- standardise and strengthen the controls already in place in CA Auto Bank in order to bring them into line with Italian regulations, with particular reference to issues concerning the administrative responsibility of entities;
- verifying the tools already used by the Company to counter violations of company procedures and rules of conduct, and envisaging the relevant sanctioning instruments;
- reinforce the awareness of all those who work in the name and on behalf of CA Auto Bank of the risk of incurring an offence, the commission of which is clearly stigmatised by the Company as always being contrary to its interests and principles, even when, apparently, it could gain an immediate or even only indirect economic advantage;
- intervene promptly to prevent or counteract even the slightest attempt to commit such offences, through constant monitoring of the Company's activities;
- improve corporate governance and the Company's image.

The Model identifies - consistently with the Code of Conduct adopted by the Company, which constitutes an integral part of it - the rules and procedures that must be complied with by all Recipients, i.e. by those, such as Employees, Corporate Bodies, Service Companies, Consultants and Partners, who operate on behalf of or in the interest of the Company within the Sensitive and Instrumental Processes for the commission of the offences that are the subject of liability pursuant to Legislative Decree 231/01.

All CA Auto Bank employees are subject to this Model, even if operating abroad, either temporarily or as a result of secondment.

The Supervisory Body, appointed for this purpose, guarantees constant supervision of the implementation of the Model, through monitoring activities and the possible imposition of disciplinary or contractual sanctions aimed at effectively censuring any unlawful behaviour

3. Reference Guidelines

In preparing this Model, CA Auto Bank was inspired by the Confindustria Guidelines, the ABI Guidelines, the Assilea Guidelines as well as the Guidelines of the Italian Association of Consumer and Real Estate Credit (ASSOFIN), whose principles are described in Appendix B and referred to in the text of this Model.

It is understood that the Model, having to be drafted with reference to the concrete reality of the Company, may well deviate from the reference Guidelines which, by their very nature, are of a general nature.

SECTION II

THE DEVELOPMENT OF THE PROGRAM

1. Underlying Principles and Assumptions of the CA Auto Bank Program

In preparing this Compliance Program, account was taken not only of the prescriptions of Legislative Decree 231/01, but also of the procedures and control systems (noted in the 'as-is' phase) already operating in the company and deemed suitable to be valid as crime prevention and control measures on Sensitive and Instrumental Processes. In particular, the following were found to be operating at CA Auto Bank :

- the Code of Conduct, which expresses the principles of "corporate ethics" recognised as its own and on which the Company calls for compliance by all Employees, Corporate Bodies, Consultants and Partners;
- the principles of Corporate Governance, which reflect applicable regulations and international best practices;
- the Internal Control System (ICS) (i.e., company procedures, documentation and provisions relating to the hierarchical-functional and organisational structure of the company and the management control system)
- the second-level control activities performed by the Risk & Permanent Control and Compliance, Supervisory Relations & Data Protection Functions (including AML) as well as the third-level control activities performed by Internal Audit;
- the rules concerning the administrative, accounting, financial and reporting system;
- internal communication and staff training;
- the disciplinary system referred to in the CCSL;
- in general, applicable Italian and foreign legislation (including, for example, laws on safety in the workplace).

1.1 Characteristics of CA Auto Bank Program

In line with the provisions of Legislative Decree 231/01, this Model is characterised by the elements of effectiveness, specificity and topicality.

Effectiveness

The effectiveness of an Organisational Model depends on its suitability in concrete terms to prevent, or at least significantly reduce, the risk of commission of the offences set out in Legislative Decree 231/01. This suitability is guaranteed by the existence of decision-making and preventive and subsequent control mechanisms capable of identifying operations that possess anomalous characteristics, of reporting conduct falling within the areas of risk and the consequent instruments of timely intervention. The effectiveness of an organisational model, in fact, is also a function of the efficiency of the instruments capable of identifying 'offence symptoms'.

Specificity

Specificity is one of the elements that characterises the effectiveness of the Model, pursuant to Article 6(2)(a) and (b).

The specificity of the Model is connected to the areas at risk - and requires a census of the activities in the scope of which offences may be committed - and to the processes of formation and implementation of the entity's decisions in 'sensitive' areas.

Similarly, the Model must also identify appropriate methods of managing financial resources, provide for disclosure obligations and an adequate disciplinary system, as well as take into account the characteristics and size of the company, the type of activity performed, and the company's history.

Current relevance

With regard to this aspect, in the meantime, a Model is suitable for reducing offence risks if it is constantly adapted to the characteristics of the company's structure and activity.

The effective implementation of the Model requires, in accordance with Article 7 of Legislative Decree 231/01, its periodic verification and possible amendment in the event that any violations are discovered or changes occur in the activity or organisational structure of the company/entity.

Article 6 of Legislative Decree 231/01 attributes the task of updating the Model to the Supervisory Body, as the holder of autonomous powers of initiative and control.

1.2 Definition of the CA Auto Bank Program

The Compliance Program has been prepared taking into account the operational characteristics, the organizational structure, the procedures through which the Company carries out its business and taking into account the requirements of the Decree (article 6, paragraph 2).

The preparation of this Program has been preceded by a number of preliminary activities broken down in different phases and all designed to build a risk prevention and management system in line with the provisions of Legislative Decree 231/01 and informed by the provisions contained therein and the reference Guidelines.

1) **Identification of Sensitive Processes ("*as-is analysis*")**

In order to identify the areas in which the risk of offences being committed and the ways in which they may occur, the company documentation was examined (organisational charts, activities carried out, main processes, organisational provisions, internal procedures, risk assessment document, etc.) and key persons within the company structure were interviewed with questions aimed at gaining a deeper insight into Sensitive and Instrumental Processes and the control over them (existing procedures, documentability of operations and controls, separation of functions, etc.).

In compliance with the provisions of the Decree and in the manner outlined above, CA Auto Bank's risk activities were identified, taking into account the Company's current operations and existing organisational structure.

The Sensitive/Intrumental Processes which, at the moment, could constitute an opportunity or method for the commission of the offences governed by the Decree are as follows:

- Management of customer relations;
- Management of administrative fulfilments, relations with the Supervisory Authorities and the
- Public Administration and related inspection activities;
- Management of litigation and relations with the Judicial Authorities and management of settlement agreements;
- Management of the purchase of goods and services (including consultancy);
- Selection and management of business partners;
- Personnel management and bonus system;
- Management of expense reports and entertainment expenses;
- Management of financial flows;
- Management of intercompany relations;
- Management of non-cash payment instruments;
- Management and evaluation of customer receivables;
- Accounting management, preparation of financial statements and management of taxation;

- IT security management;
- Management of the prevention and protection system for health and safety in the workplace;
- Management of activities with an environmental impact;
- Management of shareholders' meeting activities, capital operations and other non-routine operations;
- Management of gifts, donations, events and sponsorships;
- Management of development activities;
- Management of remarketing activities;
- Management of internal and external communication (investors, advertising, etc.);
- Management of relations with corporate bodies.

2) Creation of “gap analysis”

On the basis of the existing controls and procedures in relation to Sensitive and Instrumental Processes and the provisions and purposes of Legislative Decree No. 231/01, an analysis was carried out to identify possible actions to improve the current Internal Control System (processes and procedures) and the organisational requirements essential for the definition of a 'specific' organisation, management and monitoring model pursuant to Legislative Decree No. 231/01.

3) Preparation of the Program

This Model is structured in sections containing principles and general rules of conduct, designed to prevent the commission of the offences contemplated in Legislative Decree 231/01 and listed in Annex A.

On the other hand, with regard to the prevention of offences that are not expressly dealt with, the Company's Code of Conduct and the overall provisions contained in the Model have been deemed valid and adequate.

In addition, CA Auto Bank has:

- identified the existing internal rules and protocols (formalised or not) with reference to the Sensitive/Intrumental Processes identified as being at risk of Offence;
- envisaged specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the offences to be prevented;
- identified the methods of management of financial resources suitable to prevent the commission of offences;
- provided for obligations to provide information to the body responsible for supervising the operation of and compliance with the models; and
- introduced a disciplinary system capable of sanctioning non-compliance with the measures indicated in the Model.

1.3 Adoption of the CA Auto Bank Model and Subsequent Amendments

This Model was adopted by resolution of the Board of Directors of CA Auto Bank, which also established the Supervisory Body.

The current version of the Program was approved by resolution of the Board of Directors on 20 april 2023.

Each member of the Board of Directors, as well as the Company's Board of Statutory Auditors, is committed to compliance with this Model.

Since this Model is an act of issuance by the management body (in accordance with the provisions of Article 6, paragraph I, letter a) of Legislative Decree 231/01), amendments and additions are the responsibility of the Board of Directors.

The Board of Directors may delegate specific amendments to the Managing Director, it being understood that it must ratify any amendments made annually.

1.4 Implementation of the CA Auto Bank Program

The principles and provisions of this document must be observed by the:

- members of the Board of Directors and the Board of Statutory Auditors;
- attorneys and proxy holders acting in the name and on behalf of the Company;
- Employees and managers;
- Consultants, Collaborators and Suppliers, insofar as the same may be involved in the performance of activities in which it is conceivable that one of the predicate offences set out in the Decree may be committed and which do not have their own Organisational Model for the part of specific reference;
- Partners as well as all third parties acting in the name and on behalf of CA Auto Bank;
- those acting under the direction or supervision of top management within the scope of their assigned tasks and functions.

The subjects thus identified are hereinafter referred to as "Addressees".

The responsibility for the implementation of this Program in relation to the Sensitive and Instrumental Processes identified is the exclusive responsibility of CA Auto Bank, which has attributed to its own Supervisory Body the competence of exercising the relative controls according to the procedures described in the Model itself.

2. The Supervisory Body

2.1 Creation of the Supervisory Body: Appointment and Termination

The Company has assigned the task of supervising the functioning and observance of the Model to the Supervisory Body (also SB) in order to ensure the effective and efficient implementation of the Model.

The members of the Supervisory Board are endowed with the requirements dictated by the Guidelines of the Trade Associations and in particular

- autonomy and independence. The Supervisory Body must remain outside any form of interference and pressure from top management and not be in any way involved in the exercise of operational activities and management decisions. The Supervisory Body must not find itself in a situation of conflict of interest and no operational tasks that could undermine its autonomy must be assigned to the Supervisory Body as a whole, but also to its individual members. The requirement of autonomy and independence must also be understood as the absence of parental ties and hierarchical dependency ties with the top management of the Company or with persons holding operational powers within the same. The Supervisory Body must report to the company's top operational management and must be able to dialogue with it "on an equal footing", being in a "staff" position with the Board of Directors.
- honourability. This requirement is defined in relation to the provision of causes of ineligibility, revocation, suspension or forfeiture of the office of Supervisory Body, as specified below.
- proven professionalism. The Supervisory Body possesses specific skills in the field of inspection and advisory activities, as well as technical and professional competences adequate to perform the functions of analysis of control systems and of legal and criminal law. The Company considers of particular importance the careful examination of the curricula of possible candidates and their previous experience, favouring profiles that have matured specific professionalism in the field.

As a rule, in performing its supervisory and control tasks, the Supervisory Body is supported by the Compliance, Supervisory Relations & Data Protection, Legal Affairs, Internal Audit and, where necessary, the Risk & Permanent Control Function of CA Auto Bank.

- **continuity of action**. The Supervisory Body continuously carries out the activities necessary for the supervision of the Model with adequate commitment and the necessary powers of investigation, meeting at least quarterly. The definition of the aspects pertaining to the continuity of the Supervisory Body's action, such as the scheduling of activities, the minuting of meetings and the regulation of information flows by the corporate structures, is left to the Supervisory Body itself, which regulates its own internal functioning by means of a special Regulation.
- availability of the organisational and financial means necessary to perform its functions. The independence of the Supervisory Body is also ensured by the allocation by the Board of Directors of an annual expenditure budget for the performance of its tasks (e.g.,

specialist consultancy, travel, etc.). However, the Supervisory Body may autonomously commit resources in excess of its spending powers, if their use is necessary to deal with exceptional and urgent situations. In such cases, the Body must inform the Board of Directors without delay.

The requirements described above must be verified at the time of appointment by the Board of Directors.

Internal or external members of the Supervisory Body may be called upon to be members of the Supervisory Board, provided that each of them meets the above-mentioned requirements of autonomy and independence. In the case of a mixed composition, since the internal members are not required to be completely independent of the entity, the degree of independence of the body must be assessed as a whole.

The appointment and dismissal of the Supervisory Body is the responsibility of the appointment of the Supervisory Body and the revocation of its office are the responsibility of the Board of Directors, with the power for the same to delegate the Company's legal representatives to provide for the necessary replacements in the event of resignation of the Supervisory Body and/or organisational changes, reporting to the Board of Directors itself, which must ratify any new appointment.

In order to enhance the independence requirement, CA Auto Bank's Supervisory Body consists of three members, two internal and one external.

With regard to the internal members, the appointment is made, by resolution, to the Head of Compliance, Supervisory Relations & Data Protection and the Head of Internal Audit.

The Supervisory Body remains in office for the period approved by the Board of Directors and may be re-elected. The remuneration of the Supervisory Body is determined by the Board of Directors at the time of appointment for the entire term of office.

Causes for ineligibility, termination, suspension and lapse

In appointing the members of the Supervisory Body, the Company's Board of Directors expressly took into account the following causes of ineligibility for the members of the Supervisory Body.

The following cannot be elected

- Those who have been sentenced with a sentence, even if not final, or with a sentence of application of the penalty on request (so-called plea bargaining) and even if with a conditionally suspended penalty, except for the effects of rehabilitation:

1. to imprisonment for a term of not less than one year for one of the offences set out in Royal Decree 267 of 16 March 1942

2. to imprisonment for a term of not less than one year for one of the offences provided for by the rules governing banking, financial, securities and insurance activities and by the rules governing markets and securities, payment instruments

3. to imprisonment for a term of not less than one year for a crime against the public administration, against public faith, against property, against the public economy, for a crime relating to tax matters

4. for any non-culpable offence to imprisonment for a term of not less than two years;

5. for any of the offences provided for in Title XI of Book V of the Civil Code as reformulated by Legislative Decree No. 61 of 11 April 2002

6. for an offence which results and has resulted in a conviction to a penalty from which derives disqualification, including temporary disqualification, from public offices, or temporary disqualification from the executive offices of legal persons and companies

7. for one or more offences among those listed exhaustively in the Decree, even if sentenced to a penalty lower than those indicated in the previous points;

- those against whom one of the prevention measures provided for by Article 10, paragraph 3, of Law No. 575 of 31 May 1965, as replaced by Article 3 of Law No. 55 of 19 March 1990 and subsequent amendments has been definitively applied
- those against whom the accessory administrative sanctions provided for in Article 187-quater of Legislative Decree No. 58 of 24 February 1998 have been applied.

The members of the Supervisory Body shall certify, by means of a declaration in lieu of affidavit, that they are not in any of the aforementioned conditions, expressly undertaking to notify any changes to the content of such declarations.

Any revocation of the members of the Supervisory Body must be resolved upon by the Board of Directors of the Company and may be ordered exclusively for reasons connected to serious breaches of the mandate assumed, including breaches of the confidentiality obligations indicated below, as well as for the causes of disqualification set forth below.

The members of the Supervisory Body shall also forfeit their office if, after their appointment:

- they are convicted by final judgment or plea bargaining for one of the offences indicated in numbers 1, 2, 3, 4, 5, 6 and 7 of the conditions of ineligibility set out above
- have breached the confidentiality obligations strictly related to the performance of their duties;
- with reference only to the internal members of the Supervisory Body, have terminated their employment relationship (following dismissal or resignation) with CA Auto Bank.
- The members of the Supervisory Body are also suspended from exercising their functions in the following cases
- conviction with a non-definitive sentence for one of the offences indicated in numbers 1 to 7 of the conditions of ineligibility indicated above; - application at

the request of the parties of one of the penalties indicated in numbers 1 to 7 of the conditions of ineligibility indicated above
- application of a personal precautionary measure;

provisional application of one of the prevention measures provided for in Article 10(3) of Law no. 575 of 31 May 1965, as replaced by Article 3 of Law no. 55 of 19 March 1990, as amended.

The remuneration of the Body is determined by the Board of Directors at the time of appointment for the entire term of office.

2.2 Duties and Powers of the Supervisory Body

The Supervisory Body is entrusted with the task of monitoring

- on compliance with the Model by the Addressees, in order to ascertain that the rules defined and the safeguards put in place are followed as faithfully as possible and that they are actually suitable for preventing the risks of the commission of the offences highlighted
- on the effectiveness and adequacy of the Model in relation to the corporate structure and its actual capacity to prevent the commission of offences;
- so that the Code of Conduct and all the provisions contained therein are complied with by all persons operating in any capacity in the Company;
- on the proper functioning of the control activities for each area at risk, promptly reporting anomalies and malfunctions of the Model, after discussion with the areas/functions concerned.

To this end, the Supervisory Body is guaranteed free access - at all Company departments, without the need for any prior consent - to any information, data or company document considered relevant to the performance of its duties, and must be constantly informed by management: a) on aspects of the company's activities that may expose CA Auto Bank to the risk of one of the offences being committed; b) on relations with Service Companies, Consultants and Partners operating on behalf of the Company in the context of Sensitive Operations; c) on the Company's extraordinary operations.

In particular, the Supervisory Body:

- verifies compliance with the methods and procedures laid down in the Model and detects any behavioural deviations that may emerge from the analysis of the information flows and from the reports to which the heads of the various functions are bound
- interprets the relevant regulations (in coordination with the function in charge of managing Legal Affairs) and verifies the adequacy of the Model to these regulatory prescriptions;
- formulates proposals to the management body for any amendments and/or additions that may be necessary as a result of significant violations of the provisions of the Model, significant changes in the internal structure of the Company and/or in the ways in which business activities are carried out, as well as regulatory changes

- reports to the management body any ascertained violations of the Organisational Model that may entail the emergence of a liability on the part of the entity and coordinates with the company management to assess the adoption of any disciplinary sanctions, without prejudice to the latter's competence to impose the sanction and the related disciplinary procedure
- coordinates with the head of the function in charge of managing Human Resources to define the training programmes for personnel and the content of the periodic communications to be made to Employees and Corporate Bodies, also through the Company Intranet, aimed at providing them with the necessary awareness and basic knowledge of the regulations pursuant to Legislative Decree No. 231/01
- notifies the Board of Directors of the possible need to update the Model, where it is found to be necessary in relation to changed company, regulatory and legal conditions.

The activities, carried out by the Supervisory Body cannot be reviewed by any other company body or structure, it being understood, however, that the management body is in any case called upon to carry out a supervisory activity on the adequacy of its intervention, since the management body is ultimately responsible for the functioning of the Organisational Model.

2.3 Supervisory Body's Reports to the Board of Directors

In order to guarantee its full autonomy and independence in the performance of its functions, the Supervisory Body reports directly to the Board of Directors and the Board of Statutory Auditors of CA Auto Bank, and reports on the implementation of the Model and the emergence of any critical issues, through two lines of reporting

- the first, on an eventual, ongoing basis;
- the second, at least once a year, by means of a written report indicating the activity carried out during the period, both in terms of the controls carried out and the results obtained, and any need to update the Model.

If the Supervisory Body detects critical issues referable to any of the members of the Board of Directors or the Board of Statutory Auditors, the corresponding report shall be promptly addressed to one of the other persons not involved.

Meetings with the bodies to which the Supervisory Body reports must be minuted, and copies of the minutes must be kept by the Supervisory Board and the bodies involved from time to time.

The Board of Statutory Auditors, the Board of Directors and the Managing Director have the power to convene the Supervisory Body at any time to report on particular events or situations concerning the functioning and compliance with the Model.

The Supervisory Body, in turn, has the right to ask to be heard by the Board of Directors whenever it deems it appropriate to speak with said body, or to request clarifications and information from the same body.

2.4 Information flows to the Supervisory Body

The Supervisory Body is the recipient of any information, documentation and/or communication, also from third parties, pertaining to compliance with the Model.

All the Recipients of this Model are obliged to inform the Supervisory Body, to be carried out following

a) tips;

b) information.

The CA Auto Bank Supervisory Body ensures the utmost confidentiality with regard to any news, information, reports, under penalty of revocation of the mandate and the disciplinary measures defined below, without prejudice to the requirements inherent to the carrying out of investigations in the event that the support of consultants external to the Supervisory Body or other company structures is required.

The information, notifications and reports envisaged in this Model shall be kept by the Supervisory Body in a special computerised and paper archive, in compliance with the legislation in force on the unlawful processing of personal data: the records of the Supervisory Body shall be kept at the Company's offices and contained in separate and closed cabinets, accessible only to its members and for the sole reasons connected to the performance of the aforementioned tasks, under penalty of immediate forfeiture of office.

a) Tips

All Addressees are required to promptly report to the Supervisory Body any deviation, violation or suspected violation, to their knowledge, of the rules of conduct set out in the Company's Code of Conduct, as well as of the principles of conduct and the procedures for carrying out the activities identified as "at risk" and governed by the Model.

The reports referred to in the preceding point and the circumstantiated reports of unlawful conduct, relevant under Legislative Decree no. 231/2001 and based on precise and concordant elements of fact, or of violations (even alleged violations) of the Organisation and Management Model, of which they have become aware by reason of the functions performed, shall be made within the framework of the regulatory provisions on whistleblowing set out in Law no. 179/2017, with particular reference to the protection of the reporter from any form of retaliation and/or discrimination.

In particular, in accordance with the provisions of Article 6, paragraph 2-bis of Legislative Decree No. 231/2001, reports may be made through the following channels, which guarantee the confidentiality of the identity of the reporter in the activities of handling the report: either by physical mail to the address:

CA Auto Bank S.p.A. Supervisory Body

as well as to the other channels provided for by the company's whistleblowing procedure.

The Company, and its representatives, are prohibited from retaliating or discriminating, directly or indirectly, against the whistleblower for reasons directly or indirectly connected to the report. In this respect, it is clarified that disciplinary sanctions are provided for:

- in the event of non-compliance with the measures indicated in the Model;
- against those who violate the measures for the protection of the reporter;
- those who make reports that turn out to be unfounded with malice or gross negligence.

The adoption of discriminatory measures against persons making such reports may be reported to the National Labour Inspectorate, for measures within its competence, not only by the person making the report, but also by the trade union organisation.

It is clarified, in accordance with the provisions in force, that retaliatory or discriminatory dismissal of the reporting person is null and void.

Also null and void are changes of job and any other retaliatory or discriminatory measures taken against the whistleblower. In the event of disputes concerning the imposition of disciplinary sanctions, or concerning demotions, dismissals, transfers, or subjecting the whistleblower to other organisational measures having a direct or indirect negative impact on working conditions, following the submission of the report, the employer is required to prove that such measures are based on reasons extraneous to the report itself.

The Supervisory Body assesses all the reports received and takes the consequent initiatives at its reasonable discretion and responsibility within the scope of its competences, hearing, if necessary, the author of the report and the person responsible for the alleged breach. Any consequent decision will be motivated; any consequent measures will be applied in accordance with the provisions of the chapter on the Sanctions System.

The Supervisory Body acts in such a way as to guarantee the authors of the reports against any form of retaliation, discrimination, penalisation or any consequence deriving from them, ensuring the confidentiality of their identity, without prejudice, however, to legal obligations and the protection of the rights of CA Auto Bank or of persons wrongly or in bad faith accused.

Bona fide whistleblowers will be guaranteed against any form of retaliation, discrimination or penalisation, and in any case the confidentiality of the whistleblower's identity will be ensured, without prejudice to legal obligations and the protection of the rights of the Company or of persons accused in bad faith.

b) information

The following must be sent to the Supervisory Body:

- measures and/or reports from police or other authorities which lead to investigations, including of persons unknown, into criminal offences;
- requests for legal assistance from the Managers and/or Employees against whom the Judiciary proceeds for the offences provided for by law;
- reports prepared by the heads of other corporate functions, as well as by the Control Functions/Bodies (including the Audit Firm), as part of their verification activities and from which facts may emerge, acts, events or omissions with criticality profiles with respect to compliance with the rules of D.Lgs. 231/01;
- any findings and sanctions imposed by the Supervisory Authorities and Public Bodies (Bank of Italy, Consob, Revenue Agency, Labour Inspectorate, INPS, INAIL, ARPA, ASL, etc.) following inspections carried out outside the ordinary monitoring activity;
- information relating to disciplinary proceedings carried out and any sanctions imposed pursuant to the Model (including measures against Employees) or the measures to close such proceedings with the relevant reasons;
- summary statements of contracts awarded following national and European invitations to tender, or negotiated contracts;
- information on contracts awarded by public bodies or entities carrying out public service tasks;
- periodic reports on health and safety at work;
- organisational changes and changes in the activities of risk areas;
- the system of proxies and proxies adopted by the Company;
- operations relating to share capital;
- the main elements of the exceptional operations initiated and concluded;
- the conclusion or renewal of service contract;
- the conclusion or renewal of intra-group service and service contracts;
- any significant deviations from the budget or anomalies in expenditure resulting from requests for authorisation during the final assessment of the management control.

In addition to this information, further information flows to the Supervisory Body are provided for in the Special Part of the Model and reported in the summary table in Annex D to this Model.

The information flows must reach the Body, through the methods and guidelines indicated above.

2.5 Collection and Storage of Information

The information, reports and reports provided for in this Model are kept by the Supervisory Body in a special archive (computer or paper) for a period of 10 years, in compliance with confidentiality and privacy regulations.

Access to the database is granted exclusively to the members of the Board of Statutory Auditors, the Directors and persons delegated by them.

3. Sistema di segnalazione delle violazioni (whistleblowing)

The Company also took into consideration the provisions of article 6, paragraph 2-bis,

whereby the Compliance Program should contemplate

a) "one or more channels to allow the persons indicated in article 5, paragraph 1, subparagraphs a) and b), to submit detailed reports, to protect the integrity of the entity, on illegal conducts falling within the scope of this decree and based on specific and consistent facts or on breaches of the entity's Compliance Program of which came to their knowledge in connection with their duties. These channels guarantee the anonymity of the reporting person in the activities to manage the report submitted";

In light of the above, it is specified that, as early as 2016, CA Auto Bank set up for all the Group companies' specific channels for submitting and receiving confidential tips such as:

- A dedicated e-mail address
- Oral or written reports to the Group Compliance Officer or the local Compliance Officer, who will in turn submit the report to the Group Compliance Officer.

b) *"at least one alternative channel that might guarantee, in ICT processes, the anonymity of the reporting person";*

To this end, CA Auto Bank prepared an internet platform for all the Group companies, to be operated by the Head of Compliance, Supervisory Relations & Data Protection (hereinafter COMPLIANCE, SUPERVISORY RELATIONS & DATA PROTECTION), who will act as Head of the Whistleblower System, which guarantees the anonymity of the reporting party.

c) *"prohibition from taking, directly or indirectly, retaliatory or discriminatory actions against the reporting party for reasons related, directly or indirectly, to the tip";*

CA Auto Bank prohibits discriminatory actions against reporting parties and in fact it does encourage the reporting of conduct that is harmful to its integrity. To this end, both the Compliance Program and the Code of Conduct call for this prohibition in a clear and unequivocal manner. In keeping with the provisions of the Code of Conduct, no one can be demoted, terminated, suspended, threatened, harassed of intimidated following a tip submitted in good faith.

d) *"in the disciplinary system adopted pursuant to paragraph 2, sub-paragraph e), sanctions against anybody who breaches the provisions on the protection of the reporting person as well as against anybody who submits, with malice or gross negligence, reports that turn out to be unfounded". Regarding this provision, the Company introduced in its sanctioning system penalties for anybody who violates Law 179/2017 on whistleblowing, breaching the measures for the protection of the reporting party or by submitting, with malice or gross negligence, tips that turn out to be unfounded. Anybody who retaliates against a reporting party who submitted a tip in good faith or anybody who submits a false and unfounded tip will be subject to disciplinary measures that might lead to termination, in keeping with the provisions of the Code of Conduct and with section IV of this Compliance Program.*

Reference is made to the Group Whistleblowing Procedure for all the details pertaining to the reporting channels.

4. Program Adequacy test

The Supervisory Body carries out periodic checks on the real capacity of the Model to prevent the commission of crimes, using, as a rule, the Compliance, Supervisory relations & Data Protection Function, the Internal Audit, the Risk & Permanent Control Function and the support of other internal functions that, from time to time, become necessary for this purpose.
This activity takes the form of sample audits of the main corporate acts and contracts of major importance concluded by CA Auto Bank in relation to Sensitive and Instrumental Processes and their compliance with the rules set out in this Model, as well as the knowledge of Employees and Corporate Bodies of the Company Model and Legislative Decree. 231/2001.

SECTION III

DIFFUSION OF THE COMPLIANCE PROGRAM

The knowledge of this Model is fundamental to develop the awareness of all the Recipients who work on behalf of and/or in the interest of the Company in the Sensitive and Instrumental Processes of being able to incur in criminal offences relevant, not only for themselves but also for the Company, in case of behavior contrary to the forecasts of D.Lgs. 231/01 and the Model.

The Company guarantees a correct and complete knowledge of the Model, the content of the Decree and the obligations arising from it among those operating for CA Auto Bank.

Training sessions will be organized over time by the Company, in accordance with the criteria of mandatory and recurrence, as well as any diversification.

The Compliance, Supervisory Relations & Data Protection Function, after consulting the Supervisory Body, defines, annually, with the support of the Human Resources function, a specific communication and training plan.

1. Training and information of the Employees

CA Auto Bank must ensure proper information/training on the content of this Model and the rules of conduct contained therein, both to the resources already present in the company and to those to be included, with different degree of depth in relation to the different level of involvement of the same resources in the Sensitive and Instrumental Processes.

The information and training system is supervised and supplemented by the activities carried out in this field by the Supervisory Body in collaboration with the person responsible for the function delegated to manage Human Resources.

- **The initial communication**

The adoption of this Model is communicated to all the resources present in the company by the Human Resources Function.

On the other hand, new employees are provided with an information set (e.g. Code of Conduct, CCSL, Organisational Model, Legislative Decree 231/01, etc.), in electronic format, with which they are assured of the knowledge considered to be of primary importance.

All subsequent changes and information regarding the Model will be communicated to the company's resources.

- ***Training***

Participation in training activities aimed at spreading knowledge of the legislation referred to in the Decree, the Model of organization, management and control, the Code of

Conduct is mandatory. To this end, a continuous reminder is provided until the use of the training.

The training activity aimed at disseminating knowledge of the legislation referred to in Legislative Decree no. 231/01 is differentiated, in the content and methods of delivery, according to the qualification of the Recipients, the level of risk of the area in which they operate and the attribution or not of functions of representation of the Company.

In particular, the Company has provided different levels of information and training through appropriate dissemination tools.

The Supervisory Body is also responsible for monitoring the content of the training programmes as described above.

All training programs implemented by CA Auto Bank have a minimum common content consisting of a modular illustration of:

- the regulatory framework;
- the characteristics and principles of the Organisational Model and the Code of Conduct;
- the Bank's 231 main specific risks;
- the role and responsibilities of the Supervisory Body;
- How to contact the Supervisory Body and whistleblowing.

In addition to this common matrix each training program is modulated in order to provide its users the necessary tools for full compliance with the dictates of Legislative Decree. 231/01 in relation to the scope of operation and the tasks performed.

The Supervisory Body ensures that the training programmes are qualitatively adequate and effectively implemented.

2. Information to Service Companies, Consultants, Partners and Suppliers

The Company requires Service Companies, Collaborators and Suppliers to become familiar and abide by the Compliance Program, pursuant to specific contractual clauses. In fact, these Parties shall be informed of the Program contents and of CA Auto Bank's need for their conduct to comply with Legislative Decree 231/01.

3. Information to Directors and Auditors

This Program is delivered to each Director and Statutory Auditor, who undertake to comply with it.

SECTION IV

SANCTIONING SYSTEM

1. Purpose of the sanctioning system

The definition of a system of sanctions (commensurate with the violation and equipped with deterrence), applicable in case of violation of the rules referred to in this Model, aims to ensure the effectiveness of the Model itself. The establishment of such a disciplinary and/or contractual sanction system constitutes, in fact, pursuant to art. 6 second paragraph letter e) of D.Lgs. 231/01, an essential requirement of the Model itself for the purposes of the esimente with respect to the liability of the Company.

The system itself is intended to sanction: failure to comply with the principles and obligations of conduct provided for in this Organizational Model; violation of the measures taken to protect those who report illegal conduct relevant pursuant to Legislative Decree no. 231/2001, or violations of the Corporate Organization, Management and Control Model, as well as the conduct of those who make false reports with intent or gross negligence.

The application of the disciplinary system and of the relative sanctions is independent from the development and from the outcome of the criminal procedure eventually started from the judicial authority in the case in which the behavior to censure also applies to integrate a crime relevant pursuant to D.Lgs. 231/01.

However, any claim for compensation for any damage caused to the Company by the conduct carried out in violation of the rules referred to in this Model, as in the case of application to the same by the Judge of the precautionary measures provided for by Legislative Decree. 231/01.

Following the notification of the recurrence of one of the above mentioned hypotheses, an investigation procedure is initiated in accordance with the provisions of the CCSL applied by CA Auto Bank; this investigation procedure is conducted by the SB itself, in coordination with the corporate bodies responsible for imposing disciplinary sanctions, taking into account the seriousness of the conduct, the possible recidivism of the lack or the degree of the fault.

CA Auto Bank shall, through the appropriate bodies and functions, consistently, impartially and uniformly impose sanctions proportionate to the respective violations or conduct, in accordance with the existing provisions on the regulation of employment relationships; the sanctions for the various professional figures are set out below.

The sanction system is subject to constant verification and evaluation by the Supervisory Body and by the Head of the function delegated to manage Human Resources, remaining the latter responsible for the concrete application of the disciplinary measures outlined here, on possible reporting by the Supervisory Body and after consulting the hierarchical superior of the author of the censored conduct.

2. Disciplinary Measures against Non-Management Employees

2.1 Disciplinary System

Conduct in violation of this Model by non-executive Employees subject to the CCSL applied to the Company is a disciplinary offence.

The workers will be subject to the provisions - in compliance with the procedures provided for by Article 7 of the Law of May 20, 1970, n. 300 (Workers' Statute) and any applicable special regulations - provided for by the sanction apparatus of the aforementioned CCSL of the first level, namely:

- the oral question;

- written warning;

- fine;

- suspension of work and pay up to a maximum of three days; - dismissal, with or without notice.

All forecasts of the CCSL, including:

- the obligation - in relation to the application of any disciplinary measure - of the previous objection of the charge to the employee and the hearing of the latter with regard to his defence;

- the obligation - except for the verbal reminder - that the challenge is made in writing and that the measure is not issued if it does not run 5 days from the objection of the charge (during which the employee can submit his justifications);

- the obligation to give reasons to the employee and to inform him in writing of the commission of the measure.

As regards the detection of infringements, disciplinary proceedings and the imposition of sanctions, the powers already conferred, within the limits of their respective competence, on the management remain unchanged.

In accordance with the principle of proportionality, the following disciplinary measures are laid down in detail according to the gravity of the infringement committed.

Verbal recall: applies in the case of the slightest shortcomings or non-compliance with the principles and rules of conduct provided for in this Model, relating this behaviour to slight non-compliance with the contractual rules or with the directives and instructions given by management or superiors.

Written warning: applies in the event of non-compliance with the principles and rules of conduct provided for in this Model, with respect to conduct that does not conform or is not adequate to

the extent that it can be considered even if not mild, in any case not serious, correlating this behavior to a non serious non-compliance with the contractual rules or the directives and instructions given by the management or superiors.

Fine not exceeding three hours of hourly pay calculated on the basis of salary: applies in case of non-compliance with the principles and rules of conduct provided for in this Model, for behaviour that does not conform or is not adequate to the requirements of the Model to the extent that it is considered to be of a certain severity, even if dependent on recidivism. This includes the violation of the obligation to inform the Body about the commission of crimes, even if attempted, as well as any violation of the Model. The same penalty will be applied in the event of repeated non-participation (physical or in any way requested by the Company), without justified reason to the training sessions that will be provided by the Company in time related to D.lgs. 231/2001, to the Organization Model, management and control of the Code of Conduct adopted by the Company or in relation to related issues. This penalty also applies in case of violation of the measures to protect the confidentiality of the reporting agent or of reports of unlawful conduct or violations of the Model or the Code of Conduct that are unfounded and carried out with intent or gross negligence.

Suspension from work and pay up to a maximum of three days: applies in the case of violations more serious than the infringements referred to in the previous point.

Dismissal with notice: applies in case of serious and/ or repeated violation of the rules of conduct and the rules contained in the Model, which are not in conflict with the laws and contractual provisions.

Dismissal without notice: in such provision the worker incurs serious damage to the company moral or material or that performs, in connection with the performance of the employment relationship, actions that constitute a crime in time of law

2.2 Violation of the Program and related applicable sanctions

The behaviours listed below are punishable as they constitute violations of this Program: - Violations by an employee of the internal procedures under this Program or the adoption, in performing activities related to Sensitive Processes, of behaviours not compliant with the Program, regardless of whether they expose the Company to the risk of perpetrating one of the offences;

- The adoption of behaviours that do not comply with the provisions of this Program and designed unequivocally to perpetrate one or more offences;
- The adoption of behaviours in violation of the provisions of this Program that might result in the actual and/or potential application to the Company of sanctions under Legislative Decree 231/01.

- The violation of the measures intended to protect those who report illegal conducts falling within the scope of Legislative Decree 231/2001 or breaches of the Compliance Program;
- The submission of unfounded tips with malice or gross negligence.

Disciplinary or contractual sanctions, and any request for damages, will be proportionate to the level of responsibility and autonomy of the Employee, or the role and intensity of the fiduciary nature of the role of Directors, Statutory Auditors, Service Companies, Consultants, Partners and Suppliers.

The sanction system is subject to constant review and assessment by the Supervisory Body and the Head of Human Resources, with the latter being responsible for the actual application of the disciplinary measures outlined hereunder, based on reports by the Supervisory Body and consultation with the immediate supervisor of the perpetrator.

3. Measures against the Executives

The violation of the principles and rules of conduct contained in this Model by the Executives, or the adoption of a conduct that does not comply with the above mentioned requirements, as well as the violation of the measures to protect the whistleblower or the submission of unfounded reports, with intent or gross negligence, will be subject to the most appropriate sanction measure, in accordance with art. 2119 cod. civ. and the Collective Labour Agreement applied by the Company.

For the most serious cases, the employment relationship is terminated, in consideration of the special fiduciary bond that binds the Manager to the employer.

It is also illegal to regulate:

- the lack of vigilance on the part of the Management staff on the correct application, by the hierarchical employees, of the rules provided by the Model;
- breach of the obligation to inform the Supervisory Body of the commission of the relevant offences, even if attempted;
- the violation of the measures of protection of whistleblowers under Law No. 179/2017;
- the submission of false reports by intent or gross negligence;
- violation of the rules of conduct contained therein by the managers themselves;
- the assumption, in the performance of their duties, of behaviours that do not conform to the conduct reasonably expected by a manager, in relation to the role played and the degree of autonomy recognized.

4. Measures against the ;anagers

In case of conduct in violation of this Program by one or more members of the Board of Directors, the Supervisory Body shall inform the Board of Directors and the Board of Statutory Auditors, who shall take the appropriate measures including, for example, the convening of the general meeting of shareholders in order to take the most appropriate measures allowed by law.

5. Measures against Statutory Auditors

In the event of conduct in violation of this Model by one or more Statutory Auditors, the Supervisory Body must immediately notify the Chairman of the Board of Directors, by written report. The Chairman of the Board of Directors, in the event of violations such as to supplement the right cause of revocation, convenes the Assembly by forwarding to the members the report of the Supervisory Body in advance. The adoption of the provision consequent to the aforesaid violation is however up to the Assembly.

6. Measures against Service Companies, Consultants, Partners and Suppliers

Conduct in violation of this Model by Service Companies, Consultants, also in a coordinated collaboration relationship, Collaborators, Partners, Suppliers and by those who are from time to time included among the "Recipients" of the same, are sanctioned in accordance with the specific contractual clauses included in the relevant contracts, and in any case with the application of contractual penalties, which may also include the automatic termination of the contract, without prejudice to compensation.

7. Measures against the Supervisory Body and other entities

The sanction system of a disciplinary and contractual nature as identified above, will also apply to the Supervisory Body or to those subjects, Employees or Directors, who, due to negligence, imprudence and inexperience, have not identified and consequently eliminated the conduct in violation of the Compliance Program.

SECTION V

CA Auto BANK COMPLIANCE PROGRAM

1. General Control Environment

1.1 The Bank's Organizational System

The Bank's organisational system shall comply with the basic requirements of formalisation and clarity, communication and separation of roles, in particular as regards the allocation of responsibilities, representation, definition of hierarchical lines and operational activities.

The system of internal controls of the Bank shall consist of all the rules, functions, structures, resources, processes and procedures designed to ensure, with due regard for sound and prudent management, the achievement of the following objectives:

- monitoring the implementation of the Group's strategies and policies;
- risk containment within the limits indicated in the Risk Appetite Framework ("RAF");
- safeguarding the value of assets and protection against losses;
- effectiveness and efficiency of business processes;
- the reliability and security of business information and IT procedures;
- prevention of the risk that the bank is involved, even unintentionally, in illegal activities (with particular reference to those related to money laundering, usury and terrorist financing);
- compliance of transactions with supervisory law and regulations, as well as with internal policies, regulations and procedures.

The Bank is equipped with organisational tools (organisation charts, organisational communications, policies and procedures, etc.) based on general principles of:

- knowledge within the Company;
- clear and formal delimitation of roles and functions;
- clear description of carry-over lines.

Internal procedures shall be characterised by:

- separation, within each process, between the subject who initiates it (decision-making impulse), the subject who performs and concludes it and the subject who controls it;
- written traceability of each relevant step of the process;
- adequacy of the level of formalisation.

To this end, the CA Auto Bank Group has adopted the SOD Group Policy, according to which all Group Companies must ensure compliance with the principle "the segregation of duties". This principle implies the proper separation of roles and responsibilities at all stages of a process, in order to mitigate the risk of error and/or fraud.

In addition, the Bank also has its own Rules of Procedure governing the roles and responsibilities of the various corporate bodies and functions, including the Endo-Board Committees, the Joint Venture Committees and the Internal Committees.

The internal control system of CA Auto Bank is structured in accordance with the provisions of the Supervisory Regulations for Banks issued by the Bank of Italy. Specifically:

- line checks (i.e. "first level checks") to ensure that operations are carried out properly.
- risk and compliance checks (c.d. "second level checks"), carried out respectively by the Risk & Permanent Control and Compliance, Supervisory relations & Data Protection functions, which have the objective of ensuring, inter alia: a. the proper implementation of the risk management process; b. compliance with the operational limits assigned to the various functions; c. compliance of business operations with the rules, including self-regulation.
- internal audit (i.e. "third-level controls"), aimed at detecting breaches of procedures and regulation and periodically assessing completeness, adequacy, functionality (in terms of efficiency and effectiveness) and the reliability of the internal control system and the information system (ICT audit), with fixed frequency in relation to the nature and intensity of the risks.

In accordance with D.Lgs. 231/2007, the Bank has established the Anti-Money Laundering Function, entrusted to the Compliance, Supervisory Relations & Data Protection Function, which is responsible for preventing and combating the violation of anti-money laundering and counter-terrorism financing rules.

1.2 Delegation of Authority and Powers

Delegation is the internal act of assignment of functions and tasks, reflected in the organizational communications system. The essential requirements of the delegation system for effective crime prevention are:

- it is the responsibility of the Head of Function/Body to ensure that all its collaborators, who represent the Company also in an informal manner, have a written delegation;
- the delegation must indicate:
- delegator (subject to which the delegate reports hierarchically);
- the name and duties of the delegate, consistent with his position;
- the scope of the delegation (e.g. project, duration, product, etc.);
- date of issue;
- signature by the delegate.

From the system of delegated powers derives the structure of the powers of representation to third parties, consisting of all the powers of attorney that the company issues to its employees

or third parties, in a special or general and continuous, which provide for certain of the powers granted to define economic limits to their exercise.

However, the system of proxies is not perfectly homogeneous with that of proxies, as it differs from the latter for purposes (from the system of proxies comes the decision-making system, from that of the prosecutors the set of those who, downstream of decisions taken, can engage the company to third parties) and pervasiveness (the system of proxies is a widespread system, while the system of proxies is a targeted system).

The company adopts, in the definition of its set of powers of attorney, criteria of prudence to limit the risks of abuse or misuse of the powers conferred, however, punishable disciplinary.

The Board of Directors is expressly entrusted with the approval of:

a) the powers conferred on the Chief Executive Officer and General Manager;

b) the powers attributed to the direct carry-overs of the Chief Executive Officer, on the latter's proposal.

In addition to the Board of Directors, which by law and by statute may confer powers on its members, possibly with the power of sub-delegation, they may in turn confer powers, and thus grant powers, exclusively within the scope of the powers conferred on them, the Chief Financial Officer.

The powers of attorney may be general and continuous in time, and in this case they are issued until revoked, or special, and as such exercisable in a single and single context. The latter are issued for specific purposes, generally for the execution of specific acts or contracts.

The general proxies are issued in principle with authenticated signature or by means of a deed, and are registered and then registered in the Register of Companies, in order to ensure publicity to third parties and make them opposable.

Special proxies may be authenticated or not authenticated, depending on the form of the act or contract for the execution of which they are produced, or in certain cases of the requirements required by law.

In principle, the general proxies are issued to employees of the Company or employees of other companies posted to the Company. The powers of attorney to other third parties, whether natural or legal persons, must be limited in the number and quality of the powers, in particular in connection with the purchase of certain professional services or the performance of particular tasks in the name and on behalf of the company.

The maintenance of the system of procurements (release of new powers of attorney, modification of existing ones, revocation of powers of attorney) is defined by a special procedure, and coordinated by the Corporate Secretariat.

1.3 Relations with Customers, Service Companies, Suppliers/Consultants and Partners: General Principles of Conduct

Relations with Customers, Service Companies/Consultants/ Partners, within the scope of the Sensitive Processes, shall be informed by utmost fairness, transparency and compliance with the law, the Code of Conduct, this Program, and the internal Company procedures, as well as

the specific ethical principles that guide the approach of Company activities. Service Companies, Consultants, Suppliers of products/services, and Partners in general, (e.g., temporary business groupings), shall be selected according to the following principles, which take into consideration the elements specified here below:

- verify the commercial and professional credibility (e.g. Chamber of Commerce searches, to ensure that the activity performed is consistent with those required by the Company, self-certification in accordance with Presidential Decree 445/00 relative to any pending charges or court rulings against them);
- select based on the ability to deliver in terms of quality, innovation, costs and standards of sustainability, with particular reference to the respect for human and workers' rights, and the principles of legality, transparency, and fairness in business affairs (said review process must require high qualitative standards, which can be verified also by obtaining specific certifications relative to quality issued by said party);
- avoid any sort of commercial and/or financial transactions, directly or through third parties, with individuals or legal entities that are involved in judicial investigations for predicate offences under Legislative Decree 231/01 and/or brought to attention by European or international organizations/authorities combating terrorism, money laundering, and organized crime offences. avoid any contractual relations with individuals or legal entities that are based or resident in, or have any connection with, countries that are considered uncooperative as they do not conform to the standards of international laws and recommendations expressed by FATF-GAFI (Financial Action Group against Money Laundering) or appear on the debarment lists (so-called "Black Lists") of the World Bank and of the European Commission;
- make payments solely on the basis of suitable documentary evidence in the context of contractual transactions or in relation to the type of activity to be performed and local practices; - as a general rule, no payments may be made in cash and in the event of a departure, such payments shall be appropriately authorized. In any case, the payments shall be made in accordance with the relative administrative procedures, which document the purpose and traceability of the expense;
- with reference to financial management, the company carries out specific procedural controls and pays particular attention to transactions occurring outside the normal company processes, which are consequently managed in an impromptu and discretional manner. Such controls are intended to prevent the creation of slush funds (e.g. frequent reconciliation of accounting data, supervision, segregation of duties, separation of functions, especially between finance and procurement, an effective system to document the decision-making process, etc.).

1.4 Relations with Suppliers/Service Companies/Consultants/ Partners: Contract Clauses

Contracts with Suppliers, Service Companies/Consultants/ Partners shall require the inclusion of specific clauses specifying:

- the commitment to comply with the Code of Conduct and the Program adopted by CA Auto Bank and the statement that the party has never been implicated in judicial proceedings relative to the offences laid down in the Company's Program and in Legislative Decree 231/2001 (or if they have been, they must state it anyway in order for the Company to pay greater attention, should consulting or partnership relations be established). Said commitment may be reciprocal, if the counterpart has adopted a similar Code of Conduct and Program;
- the consequences of the violation of the Program and/or the Code of Conduct (e.g. express termination clauses, penalties);
- the commitment for foreign suppliers, service companies/consultants/ partners to conduct their business activities in conformity with rules and principles similar to those pursuant to the laws of the country (or countries) in which the said companies operate, with particular reference to corruption, money laundering, and terrorism, and with the rules that involve liability for the legal entity (Corporate Liability), as well as with the principles contained in the Code of Conduct, designed to assure compliance with suitable levels of ethics in performing their respective activities.
- that - in the case of construction contracts, service contracts or supply contracts - the company concerned state that it only employs staff covered by a regular employment 39 contract, in keeping with the applicable laws in the areas of social security, taxation, insurance and immigration;
- that the company concerned state that it has the required licences to carry out its activities;
- that the untruthfulness of the foregoing statements might be cause for termination of the agreement pursuant to article 1456 of the Italian civil code.

1.5 Relations with Customers: General Rules of Conduct

Relations with customers shall be established with utmost fairness and transparency, in accordance with the Code of Conduct, this Program, the law, and the internal Company procedures, which take into consideration, among others, the elements specified here below:

- information provided to customers through any channel shall be clear, not misleading and consistent with the law;
- credit agreements can be entered into only after solvency has been determined, based on sufficient information obtained in an appropriate manner;
- contracts shall contain all the elements provided for by the applicable laws, as well as the customers' right to withdraw or to repay early their debts without any justification;
- customers shall receive periodic communications containing clear and full information on their debts as well as an update on the applicable terms and conditions;
- customers shall be repaid of any amount paid incorrectly for any reason during the term of the contract.

1.6 Cash Management System

In keeping with the applicable Guidelines, the Company adopts a cash management system based on the principles of transparency, verifiability and consistency with its business, using introducing procedures for decisions in ways that allow the documentation and verification of the various phases of the decision-making process, so as to prevent the improper management of the entity's assets.

A proper management of the process, also in accordance with article 6, paragraph 2, subparagraph c) of Legislative Decree 231/01, helps the Bank to prevent the risk of multiple offences.

Regarding cash management, the Bank applies the following control principles:

- segregation of duties in key phases/activities of the process (e.g. authorization, reconciliation);
- authority delegation and power-of attorney systems constantly aligned with the authorization profiles existing in information systems;
- internal practice/procedure system governing the main processes impacted by cash flows;
- adequate traceability of information and document trails;

In particular, the Company adopted practices/procedures governing activities related to cash management, with specific reference to the rules and procedures pertaining to the annual Financial Statements as a whole, as well as on the authorization and evaluation of investment projects. In addition, the Company relies on the indirect Tax Compliance control exercised by the Finance-Tax function to manage non-tax-compliance risk.

2. CA Auto Bank's Sensitive Processes

The risk analysis carried out by CA Auto Bank for the purposes of Legislative Decree No. 231/01 showed that the State Sensitive/Instrumental Processes mainly concern:

1) Crimes against the Public Administration and Crimes of induction not to make statements or to make false statements to the Judicial Authority;
2) Crimes against individual personality;
3) Offences of counterfeit coins, public credit cards, stamp values and instruments or signs of recognition and offences against industry and trade
4) Organised crime crimes;
5) Corporate Offences (including Private Corruption);
6) Market Abuse Offences;
7) Offences relating to non-cash payment instruments;
8) Offences of receiving, laundering and using illicit money, goods or utilities, as well as self-laundering;
9) Offences for the purpose of terrorism or subversion of democratic order;
10) Offences relating to illegal immigration;
11) Copyright infringement offences;
12) Computer crimes and unlawful data processing;
13) Offences of manslaughter and serious or very serious negligent injuries committed in violation of accident prevention and health and hygiene protection at work;
14) Environmental offences;
15) Transnational crime;
16) Tax offences

The risk related to other types of crime covered by D.Lgs. 231/01 appears only abstractly and not concretely possible.

Details of the offences listed above are given in Annex A.

The objective of this Section is to:

- represent, for each family of Offences applicable to the Company, the Functions / Corporate Management involved and the internal processes of CA Auto Bank included in the Sensitive and Instrumental Processes identified in this Model;
- indicate the principles, obligations and prohibitions which the Addressees - see Sec. II, paragraph 1.4 - are required to observe for the purpose of effective prevention of the risk of commission of the offences in the performance of activities in which the risk of commission of one of the above offences is likely;
- provide the Supervisory Body and the other corporate functions that cooperate with it, with the executive tools to carry out the control, monitoring and verification activities through the procedures in force and being enacted by the Company.

2.1 Sensitive Processes in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority

The main Sensitive Processes that the Company has identified internally in relation to the crimes referred to in art. art. 24, 25, and 25-decies of Legislative Decree No. 231/01 are as follows:

- Customer relations management; (Annex C, sheet 14)
- Management of remarketing activities; (Annex C, sheet 06)
- Management of administrative obligations, relations with supervisory authorities and related inspection activities; (Annex C, sheet 18)
- Management of litigation and relations with the Judicial Authority and management of settlement agreements; (Annex C, sheet 12)
- Management of development activities; (Annex C, sheet 05)

In relation to the offences dealt with in this Section, the Company has also identified the following Instrumental Processes:

- Management of purchases of goods and services (including advice); (Annex C, sheet 19)
- Selection and management of trading partners. (Annex C, sheet 02)
- Personnel management and reward system (Annex C, sheet 11)
- Management of expenditure notes and representation expenses; (Annex C, sheet 04)
- Management of cash flows; (Annex C, sheet 15)
- Management and valuation of credit claims on customers; (Annex C, sheet 03)
- Management of intercompany reports; (Annex C, sheet 01)
- Handling of gifts, gifts, events and sponsorships; (Annex C, sheet 16)
- Management of internal and external communication (investors, advertising, etc.); (Annex C, sheet 09)

The Functions / Company Management involved in the Sensitive and Instrumental Processes listed above and falling within the specific Crime Family are identified in Annex C to this Model. Annex C also contains internal processes and related business procedures.

The general criteria for the definition of Public Administration and, in particular, of Public Official and Public Service Commissioner, are set out in Annex A.

This definition includes a wide category of subjects with which the Company may operate in the performance of its activities, since it includes not only public bodies and those who carry out a public legislative, judicial or administrative function (Public Officers), also the subjects/entities to which it has been entrusted by the P.A. - e.g. by means of an agreement and/or concession and irrespective of the legal nature of the entity/entity, which may also be governed by private law - the care of public interests or the satisfaction of needs in the public interest (public service providers).

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these activities takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in conduct or to contribute to the realization of conduct that may fall within the circumstances referred to in art. 24, 25, 25-ter (as specified above) and 25-decies of D.lgs. 231/2001 mentioned above.

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The following are the main examples of crimes with reference to the following Sensitive Processes:

- Managing customer relationships;
- Management of remarketing activities;

The management of customer relationships and the management of remarketing activities could present risk profiles in relation to crimes against the Public Administration in the event that a subject or top-down of the Company:

- offers or promises money or other utility to a public official, a public service official or persons named by them
- misleads a public official by means of artifices or deceptions (such as, for example, falsification or alteration of documents prepared for the Public Administration) in order to acquire the Public Administration as a client.

The Addressees, as defined above, who, by reason of their assignment or function, are involved in the management of the aforementioned activities are required to:

- ensure, where necessary, that relations with customers are managed exclusively by entities with appropriate powers;
- ensure that relations with Public Administration officials, or public service officers, are managed exclusively by subjects with appropriate powers, previously identified and authorized by the Company;
- ensure compliance with all the provisions of the Group's policies and procedures, especially those relating to anti-money laundering, antitrust and conflict of interest;

- ensure the traceability of all stages of the business process, including the definition of economic conditions, any discounts applied and the duration of the agreements, through the use of the information systems provided;
- provide for appropriate segregation of tasks and responsibilities in customer management, with particular reference to the definition of economic conditions and payment methods and time frames;
- to ensure that commercial offers/proposals are defined on the basis of the business procedures;
- ensure that relations with customers are formalized in special written agreements (eg. offers/ business proposals), approved by entities with special powers;
- ensure that a preliminary screening is carried out on the new customer, both in terms of compliance, including anti-money laundering, and credit soundness;
- ensure segregation of functions at all stages relating to the management of customer relations and the management of remarketing activities, including the creation of customer records; ensure that any derogations from economic conditions, automatically determined through the use of a special system, are authorized in compliance with the provisions of the system of proxies and powers of attorney;
- - ensure the traceability of all stages of the purchasing process of the selling entities;
- perform specific credit management verification activities;
- ensure traceability of all customer documentation;
- check that the invoice is in order for customers;
- carry out a specific analysis of complaints received from customers;
- submit the financing file to the level of signature responsible for the decision;
- in the event that the services provided to customers are carried out - in whole or in part - with the support of third parties, ensure that the selection of the same is always in compliance with the rules in the section "Selection and management of commercial partners" of this Chapter;
- ensure the monitoring of the credit positions of the client who is a public official or public service officer;
- communicate, without delay, to its hierarchical manager or to the management of the Company and, at the same time, to the Supervisory Body any conduct carried out by those who work for the counterparty, aimed at obtaining favors, illicit donations of money or other utilities, including to third parties, as well as any criticality or conflict of interest arising within the relationship.

In the context of the aforementioned conduct it is prohibited to:

- make promises or undue donations of money or other utility (for example: recruitment, assignment of professional, commercial or technical duties) to public officials, public service officials, private individuals or persons close to them;
- make services or payments to third parties acting on behalf of the Company in the context of the activities covered by this chapter, which are not adequately justified in the context of the contractual relationship established with them;

- to submit tenders which have not been approved in accordance with the company's procedures;
- conclude contracts with conditions established according to non-objective parameters and/or in violation of the provisions of the company procedures and the relevant legislation;
- presenting untruthful statements by displaying documents wholly or in part that do not correspond to reality or by omitting the presentation of true documents
- misleading conduct towards the Public Administration;
- be represented in relations with the Public Administration, by consultants or third parties that may create conflicts of interest; solicit and/or obtain confidential information that may compromise the integrity or reputation of both parties;
- influence, in the course of any business negotiation, request or relationship with the Public Administration, the decisions of officials dealing or making decisions on behalf of the PA. ;
- grant credit outside the assumptions set out in the company's credit policies with the aim of obtaining an undue advantage in favour of a customer who also has the status of a public official or entrusted with a public service.

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The following are the main examples of crimes with reference to the following Sensitive Process:

- *Management of administrative obligations, relations with the Supervisory Authorities and related inspection activities.*

The management of relations with the Public Administration for the issue of certifications, authorizations or permits could present risk profiles in relation to the crime of fraud against the State in the event that, For example, an individual or subject of the Company misleads the P.A. not simply by making false statements or documents or stating circumstances that are not true, but by engaging in further mischief such as, for example, invoices for non-existent transactions, in order to unduly obtain, for themselves or for others, an authorisation or permit granted by P.A.

The management of relations with public officials in case of checks and inspections by the Supervisory Authorities or the P.A. (Guardia di Finanza, ASL, ARPA, etc.) could present risk profiles in relation to the crime of corruption for the performance of an act contrary to official duties in the event that, For example, a senior or subordinate subject of the Company delivers or promises money or other utility to a public entity in order to induce it to determine the success of the verification.

The Addressees, as defined above, who, by reason of their assignment or function, are involved in the management of the aforementioned activity, are required to:

- ensure compliance with all the provisions of the Group's policies and procedures, especially those relating to antitrust and conflict of interest;
- ensure that relations with Public Administration officials are managed exclusively by subjects with appropriate powers, previously identified and authorised by the Company, as required by internal procedures;

- identify the resources responsible for managing relations with the Supervisory Authorities during inspections;
- in the case of inspection visits, ensure that at least two resources of the Company are involved in the meetings;
- ensure that the summary reports/reports are signed by a company entity authorised to do so or by those who have witnessed the inspection operations;
- ensure traceability of relations with the Public Administration;
- periodically monitor the deadlines for sending mandatory data and communications to the Competent Authority;
- promptly and correctly, in a true and complete manner, to make the communications required by the Law, by the regulations and by the company rules in force over time to the Authorities or supervisory or control bodies;
- ensure that the receiving authority has received the acknowledgement of receipt (obtain a reply from the public body or keep a copy of the acknowledgement of receipt in the case of correspondence by registered post with acknowledgement of receipt);
- respect the authorisation process imposed by the delegation system and internal operational provisions;
- regularly send periodic reports to the Supervisory Authorities and promptly check the requests/requests received by the same Authorities;
- to make relations with the Authorities as transparent, cooperative, available and in full respect of the institutional role played by them avoiding any conduct that is an obstacle to the exercise of supervisory functions (for example, express opposition, unjustified refusals, delays in the transmission or delivery of documents, etc.);
- implement the requirements of the same authorities as soon as possible;
- to carry out the obligations towards the Authorities with the utmost diligence and professionalism, in order to provide clear, accurate, complete, faithful and truthful information, in order to avoid situations of conflict of interest and in any case to inform promptly and in the most appropriate manner;
- transmit to the Chief Executive Officer and the Supervisory Body the signed minutes containing prescriptions, sanctions, findings, etc. ;
- in the event that the documentation to be sent to the Public Administration is produced - in whole or in part - with the support of third parties (consultants, lawyers, etc.), ensure that the selection of the same is always in compliance with the rules in the section "Management of purchases of goods and services (including advice)" of this chapter;
- ensure that access to the IT/telematic systems of Public Administrations is carried out exclusively by authorized personnel and equipped with a special personal password;
- ensure that checks are carried out to prevent the dissemination of the enabling passwords for access to the IT/IT systems of the P.A. to unauthorised parties;
- communicate, without delay, to its hierarchical manager or to the management of the Company and at the same time to the Supervisory Body, any conduct carried out by those who work with the public counterparty, aimed at obtaining favours, illicit donations of money

or other utilities, including to third parties, as well as any criticality or conflict of interest arising in the context of the relationship with the Public Administration;

- to transmit to the Supervisory Body, every six months, the list of proxies and powers of attorney issued to corporate representatives in order to maintain relations with the Public Administration;
- promptly notify the Supervisory Body of any inspections received and/or in progress, specifying: (i) Public Administration proceeding; (ii) participating parties; (iii) subject of the verification and (iv) period of performance.

In the context of the aforementioned conduct **it is prohibited to**:

- maintain relations with Public Administration Officials or public officials without the presence of at least one other person, where possible, and without ensuring traceability, as specified above;
- make promises or undue donations of money or other utility (for example: gifts of significant value, recruitment, assignments of professional, commercial or technical nature) to public officials or public service agents or persons close to them or to private entities, with the aim of promoting or promoting the interests of the Company;
- behaving in any way intended to influence improperly the decisions of officials dealing with or making decisions on behalf of the Public Administration; yielding to recommendations or pressures from public officials or public service officials;
- make untruthful statements by displaying documents that are wholly or partly out of line with reality or by omitting to produce true documents;
- misleading conduct towards the Public Administration which could lead to errors of assessment in the analysis of requests for authorisations and the like;
- be represented in relations with the Public Administration, by consultants or third parties that may create conflicts of interest.

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The main examples of offences with reference to the following Sensitive Process are listed below:

- *Management of litigation and relations with the Judicial Authority and management of settlement agreements.*

The management of litigation and relations with the Judicial Authority could present risk profiles in relation to the offence of bribery in judicial acts (either directly or through legal advisors) in the event that a top manager or subordinate of the Company, in order to favour the latter in a civil, criminal or administrative trial involving it, offers money to the magistrate in charge.

The management of relations with the Judicial Authorities could present risk profiles in relation to the offence of inducement not to make statements or to make false statements to the Judicial Authorities in the event that, for example, a senior or subordinate person of the Company accused or under investigation in criminal proceedings is induced to make false statements (or to refrain from making them) in order to avoid the Company being declared liable.

With reference to the above-mentioned activity, the specific principles of conduct are set out below.

The Addressees as defined above who, by reason of their position or function, are involved in the management of the aforementioned activity are obliged to

- ensure, in interactions with public counterparties, compliance with the provisions of internal procedures;
- identify a manager, consistent with the subject matter, with the necessary powers to represent the company or to coordinate the action of any external professionals;
- ensure that relations with the Public Administration are maintained by persons previously identified and authorised by the Company;
- periodically monitor ongoing legal proceedings;
- in the event that the activity is managed - in whole or in part - with the support of third parties (consultants, lawyers, etc.), ensure that the selection and qualification of the same is always carried out in compliance with the provisions set out in the section "Management of purchases of goods and services (including consultancies)" of this chapter;
- appoint external professionals by entering into specific written contracts, indicating the agreed remuneration and the content of the service, and authorised by staff with appropriate powers;
- ensure the clear identification of the roles and responsibilities of the persons in charge of managing the conclusion of settlement agreements;
- ensure the transparency and traceability of the negotiation processes aimed at the conclusion of settlement agreements;
- observe the rules governing the evaluation criteria and the authorisation process of settlement agreements.

In the performance of all operations pertaining to the management of relations with the Judicial Authority, in addition to the set of rules set out in this Model, the Addressees are required to know and comply with the following

- in relations with the Judicial Authority, the Addressees are required to provide effective cooperation and to make statements that are true, transparent and exhaustively representative of the facts;
- in relations with the Judicial Authorities, the Addressees and, in particular, those who should turn out to be under investigation or accused in a criminal proceeding, even related, inherent to the work activity performed in the Company, are required to freely express their representations of the facts or to exercise the right not to answer granted by the law;
- all Addressees must promptly inform, by means of the communication tools existing within the Company (or by any communication tool, provided that the principle of traceability is respected), the Supervisory Body of any act, summons to testify and judicial proceeding (civil, criminal or administrative) in which they are involved, in any respect, in connection with the work activity performed or in any case related thereto
- the Supervisory Body must be able to obtain full knowledge of the proceedings in progress, also through participation in meetings relating to the relevant proceedings or in any case preparatory to the Defence activity of the Addressee himself/herself, even in cases where the aforesaid meetings involve the participation of external consultants.

- Addressees as defined above who, by reason of their position or function, are involved in the management of litigation and relations with the Judicial Authority and in the management of settlement agreements are prohibited from
- perform services or make payments in favour of external lawyers, consultants, experts or other third parties working on behalf of the Company, which are not adequately justified in the context of the contractual relationship established with them
- adopt conduct contrary to the law and the Code of Conduct during formal and informal meetings, including through external lawyers and Consultants, in order to induce Judges or Members of Arbitration Boards (including auxiliaries and court experts) to unduly favour the interests of the Company
- adopt conduct contrary to the law and the Code of Conduct during inspections/checks/audits by public bodies or court-appointed experts, in order to influence their judgement/opinion in the interest of the Company, including by means of external lawyers and consultants
- - coercing or inducing, in any form or manner, in the misunderstood interest of the Company, the willingness of the Addressees to answer to the Judicial Authority or to avail themselves of the right not to answer
- - accept, in relations with the Judicial Authority, money or other benefits, even through consultants of the Company itself
- - induce the Addressee, in relations with the Judicial Authority, to make untrue statements.

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Below is a list of the main examples of offences with reference to the following Sensitive Process:

- *Management of development activities.*

The management of development activities for new services could present risk profiles in relation to offences against the Public Administration and its assets in the event that, for example, the Company prepares a new contractual model for public customers containing misleading indications aimed at inducing the Public Administration to enter into a contract.

The Addressees as defined above who, by reason of their position or function, are involved in the management of the aforementioned activity are required to

- ensure compliance with both local and Group operating procedures;
- ensure compliance with the rules on the segregation of duties between the person who prepares the New Product and Activities (NPA) Concept, the person who carries out the assessment and the person who performs the relevant control
- carry out a specific analysis of the risks associated with new products and activities, in compliance with the law and regulatory developments;
- ensuring that documentation is filed with the functions involved in the process;
- ensure that all new services developed are approved by duly empowered persons;
- ensure the traceability of all stages of the process.

In the context of the aforementioned conduct, **it is prohibited** to

- behaving in any way intended to improperly influence the decisions of the officials dealing with or making decisions on behalf of the Public Administration
- make untrue declarations by producing documents that in whole or in part do not correspond to reality or by omitting the production of true documents
- engage in misleading conduct towards the Public Administration such as to lead the latter into errors of assessment when analysing the characteristics of the services offered.

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The main examples of offences with reference to the following Instrumental Process are listed below:

- Management of the purchase of goods and services (including consultancy).

The management of the purchase of goods and services (including consultancy services) could present risk profiles in relation to the configuration of offences against the Public Administration in the event that, for example, a senior or subordinate person of the Company enters into fictitious contracts or contracts with deliberately inadequate values in order to constitute provisions to be used for corrupt purposes.

The management of the purchase of goods and services (including consultancy services) could present risk profiles in relation to the offence of trafficking in unlawful influence if, for example, a senior person or subordinate of the Company offers or promises money or other benefits to a consultant who by boasting existing relations with a public official or a person in charge of a public service, can act as an intermediary in relations with the Public Administration in order to obtain favours or undue advantages for the Company, such as, for example, the issue of certifications, authorisations or permits or the successful outcome of an audit.

With reference to the above activity, the specific principles of conduct are set out below.

In managing relations with suppliers of goods and services, the Company must introduce specific contractual clauses in the purchase orders/contracts in accordance with the provisions of the paragraph

"Relations with Suppliers/Service Companies/Consultants/Partners: Contractual Clauses". Recipients as defined above who, by reason of their office or function or specific mandate, are involved in the management of purchases of goods and services (including consultancy) are obliged to

- create a specific register of suppliers, in order to collect and record all their critical and significant information;
- avoid situations of conflict of interest, with particular reference to interests of a personal, financial or family nature (e.g. the existence of financial or commercial shareholdings in supplier companies, customers or competitors, improper advantages deriving from the role played within the Company, etc.), which could influence independence towards suppliers
- subjecting suppliers to a qualification process to verify their financial soundness, commercial, technical-professional and ethical reliability;

- ensure that suppliers and consultants are selected from among those selected on the basis of criteria identified within internal regulations, except for occasional needs/supplies
- ensure compliance with the approval process for suppliers and contracts, as set out in corporate procedures
- ensure adequate segregation between functions within the supplier/consultant selection process;
- proceed, in accordance with corporate procedures, with the selection of the supplier through the comparison of three offers, except in special cases that must be duly justified (such as, for example: low-value contracts, intra-group agreements, contracts with specific companies, fiduciary relationship established with the consultant or supplier, etc.)
- verify the existence of specific authorisations of suppliers performing activities for which they are required;
- verify, during the qualification phase and periodically, the possible presence of Suppliers on Black Lists;
- ensure the traceability, also by means of specific information systems, of the supplier selection, qualification and evaluation process, through the formalisation and filing of the relevant supporting documentation, in the manner provided for by corporate procedures and by the IT tools supporting the process
- ensure that all payments to suppliers are made if adequately supported by a contract or order, only after validation according to the predefined internal authorisation process and after checking that the products comply with what was ordered;
- verify the regularity of payments to suppliers, with reference to the full coincidence between recipients/orders and counterparties actually involved
- ensure that all relations with suppliers or consultants are formalised within specific written agreements approved in accordance with the delegation system and where the price of the good or the consideration for the service is clearly defined;
- ensure that the contracts entered into with suppliers/consultants specifically provide for: the subject of the contract, the agreed fee, the method of payment, ethics and compliance clauses, and termination clauses, or alternatively, verify that the contractual conditions proposed by the third parties provide for compliance with the principles set out in Legislative Decree 231/01, as well as ethical principles;
- ensure the traceability and a posteriori reconstructability of commercial transactions through the formalisation and archiving, also by means of specific information systems, of the relevant supporting documentation
- ensure the periodic monitoring, through the use of specific tools, of the services provided by suppliers, as well as use the results of such evaluations for qualification purposes;
- in the case of contracted services involving the use of non-EU staff, verify the validity of the relevant residence permits;
- carefully investigate and report to the Supervisory Body:
- requests for unusually high commissions; o requests for reimbursement of expenses not adequately documented or unusual for the operation in question.
-

In the context of the aforementioned conduct, **it is prohibited to**:

- making payments in cash, to numbered current accounts or accounts not in the supplier's name, or other than those provided for in the contract
- make payments in countries other than the supplier's country of residence;
- make payments that are not adequately documented;
- create funds against unjustified payments (in whole or in part);
- bind the Company by means of verbal orders/contracts with consultants;
- carry out any commercial or financial transaction, either directly or through intermediaries, with parties (natural or legal persons) whose names are contained in the Lists available at the Bank of Italy, or with parties controlled by them, when such control relationship is known;
- provide services in favour of consultants and suppliers which are not adequately justified in the context of the contractual relationship established with them, and pay them fees which are not adequately justified in relation to the type of task to be performed and to local practices.

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The main examples of offences with reference to the following Instrumental Process are listed below:

- *Selection and management of business partners.*

The selection and management of business partners could present risk profiles in relation to the offences of bribery of representatives of the Public Administration in the event that, for example, a subordinate or apical person of the Company enters into fictitious contracts or contracts at deliberately non congruous values with partners in order to constitute provisions to be used for corrupt purposes.

With reference to the process of selecting and managing business partners, the specific principles of conduct are set out below.

Recipients as defined above who, by reason of their office or function or specific mandate, are involved in the aforementioned activity are required to:

- avoid situations of conflict of interest, with particular reference to interests of a personal, financial or family nature (e.g. the existence of financial or commercial shareholdings in supplier companies, customers or competitors, improper advantages deriving from the role played within the Company, etc.), which could influence independence towards partners
- ensure that the process of selecting and qualifying business partners always takes place in full compliance with the provisions of corporate procedures
- ensure an adequate due diligence process of any commercial partners that includes, among other things, the verification of the commercial, professional and honourableness requirements of the counterparties
- verify, at the qualification stage and periodically, the possible presence of partners on the Black Lists;

- ascertain the identity of the counterparty;
- ensure the traceability of the selection process;
- comply with the principles of transparency, professionalism, reliability, motivation and non-discrimination in the choice of the counterparty;
- ensure that the agreed fees fall within normal market conditions and are in any case contractually defined on the basis of objective calculation criteria;
- ensure that the contractual arrangements used contain specific information on the rules of conduct adopted by the Company with reference to Legislative Decree No. 231/2001 and on the consequences that conduct contrary to the provisions of the Code of Conduct and to the regulations in force may have, with regard to contractual relations.
- ensure that the assignment of the mandate to the other party is in writing;
- settle fees in a transparent manner, always documentable and reconstructible ex post. In particular, verify the correspondence between the party receiving the payment and the party that provided the service;
- submit qualified partners to periodic checks and audits in accordance with company procedures;
- ensure that incentives and bonuses, in cash or in kind, are disbursed upon the achievement of predetermined corporate objectives;
- promptly communicate to one's line manager or to the Company's management and, at the same time, to the Supervisory Body, also by means of the communication tools existing within the Company, any suspicious conduct or activities carried out by those working for the counterparty.

In the context of the aforementioned conduct, **it is forbidden to**

- enter into verbal contracts with the counterparty;
- issue or accept invoices for non-existent transactions
- make payments and recognise reimbursement of expenses in favour of counterparties, which are not adequately justified in relation to the type of activity performed, which are not supported by fiscally valid justifications and which are not shown on the invoice
- attesting the receipt of non-existent commercial services;
- create non-accounting assets against transactions contracted at above-market conditions or against invoices that do not exist in whole or in part.

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Below is a list of the main examples of offences with reference to the following Instrumental Process:

- *Personnel management and reward system.*

Personnel management could present risk profiles in relation to the offence of bribery in the event that, for example, a candidate close to or indicated by a public official is chosen in order to obtain an undue advantage for the Company.

The management of the bonus system could present risk profiles in relation to the offence of bribery, in the event that the Company provides a resource with cash bonuses/incentives that are deliberately not proportionate to his or her role/competencies, in order to provide the employee with a supply to perform corrupt actions. With reference to the above-mentioned activity, the specific principles of conduct are set out below.

Recipients as defined above who, by reason of their office or function or specific mandate, are involved in the selection and management of personnel are obliged to

- ensure that the processes identified above always take place in compliance with the provisions of corporate procedures; - operate in compliance with the criteria of:

a) meritocracy, assessing professional curricular skills
b) respect for the Company's real needs;
c) personal dignity and equal opportunities;

- carry out selection activities to ensure that candidates are chosen on the basis of objective considerations of the professional and personal characteristics necessary for the performance of the job to be carried out, avoiding favouritism of any kind
- ensure the segregation of the selection process by providing that interviews are carried out by the Human Resources department and the Head of the requesting Department;
- subject the candidates to assessment interviews and, in order to ensure full traceability of the process, formalise the results of each interview in specific documentation, the archiving of which is guaranteed;
- ensure that the recruitment request and the subsequent contract are authorised, verified and signed by the heads of function in accordance with the system of delegated and proxy powers in place;
- operate in compliance with the criteria of meritocracy and equal opportunities, without any discrimination based on gender, racial and ethnic origin, nationality, age, political opinions, religious beliefs, state of health, sexual orientation, economic and social conditions, in relation to the Company's real needs
- ensure that the candidate is asked in advance to declare any family relationship with members of the Public Administration and, if so, that any possible conflict of interest is assessed
- ensure that a check is carried out on the existence of possible conflicts of interest and on the possible status of the candidate as a former public employee, in order to ensure compliance with the provisions of Legislative Decree No. 165/2001, Article 53, Paragraph 16-ter (introduced by Law No. 190/2012 on "Anticorruption")
- hire staff only and exclusively with a regular employment contract and with remuneration consistent with the Collective Bargaining Agreement applied;
- ensure that at the time of hiring, the employee is given a copy of the Code of Conduct and this Model and that he/she formally undertakes to fully comply with the principles contained therein

- ensure an adequate induction training process for newly recruited employees that includes, among other things, adequate information on the Model and the Company's Code of Conduct
- ensure the existence of documentation attesting to the proper performance of selection and recruitment procedures;
- verify that working hours are applied in compliance with the regulations in force
- ensure that working conditions respectful of personal dignity, equal opportunities and a suitable working environment are guaranteed within the Company, in compliance with the collective bargaining regulations of the sector and the social security, tax and insurance regulations
- ensure that the definition of economic conditions is consistent with the position held by the candidate and the responsibilities/tasks assigned;
- ensure the filing of salary surveys carried out periodically by the Company;
- for personnel from non-EU countries, verify the validity of the residence permit and its monitoring during the duration of the employment relationship;
- where third parties are used to select candidates, ensure that relations with them are formalised by means of written contracts containing clauses specifying: o that the third party declares that it complies with the principles set out in Legislative Decree no. 231/2001, and that it abides by the principles of the Code of Conduct
  - that the third party declares that it has put in place all the necessary fulfilments and precautions aimed at preventing the offences indicated above, having equipped - where possible - its own corporate structure with internal procedures and systems fully adequate for such prevention
  - that the untruthfulness of the aforesaid declarations could constitute grounds for termination of the contract pursuant to Article 1456 of the Italian Civil Code;

- ensure that contracts are signed by persons with appropriate powers;

- ensure the traceability and archiving of all stages of the process of granting personal loans in favour of Group employees, their first-degree relatives as well as their spouses and relatives

- ensure that the incentive system is consistent with the Group's remuneration policy

- ensure the segregation of the incentive system, providing for the involvement of the HR function and of the competent company departments

- set maximum limits to variable remuneration, consistent with the responsibilities and tasks assigned and the applicable regulations

- ensure that any incentive systems correspond to realistic objectives consistent with the tasks, activities performed and responsibilities entrusted;

- provide for limitations to the incentive system in the event of inappropriate conduct, which is the subject of a formal act by the Company (e.g. imposition of disciplinary sanctions);

- guaranteeing the traceability of the incentive process, through the formalisation of the objectives and the relevant reporting.

In the context of the aforementioned conduct, **it is forbidden to**

- operating according to a logic of favouritism
- tolerate forms of irregular or child labour or exploitation of labour;
- hire staff, even for temporary contracts, without complying with the regulations in force (e.g. in terms of social security and welfare contributions, residence permits, etc.)
- hiring or promising to hire Public Administration employees (or their relatives, relatives-in-law, friends, etc.) who have taken part in Public Administration authorisation processes or inspections against the Company
- promise or grant promises of recruitment/career advancement to resources close to or liked by public officials when this does not conform to the Company's real needs and does not respect the principle of meritocracy.

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The main examples of offences with reference to the following Instrumental Process are listed below:

- *Management of expense notes and entertainment expenses.*

The management of expense accounts could present risk profiles in relation to offences against the Public Administration, in the event that the Company, in order to provide employees with provisions to be used for corrupt purposes, reimburses fictitious expenses or expenses not falling within the employee ''s normal activity.

The management of entertainment expenses could present risk profiles in relation to bribery offences, in the event, for example, that a senior or subordinate person of the Company, in order to bribe a public official, uses sums then entered in the accounts as entertainment expenses.

With reference to the above-mentioned activity, the specific principles of conduct are set out below.

The Addressees as defined above who, by reason of their office or function or specific mandate, are involved in the management of expense notes and entertainment expenses **are obliged to**

- prepare expense notes in compliance with the provisions of the corporate procedures, using the dedicated corporate IT tools;
- ensure that expense notes are reimbursed only following their approval by the persons with appropriate powers, on the basis of a segregated process, and only in the presence of regular justifications
- ensure compliance with the rules adopted by the Company on corporate credit cards and on the types of expenses allowed;
- ensure that company credit cards are assigned to staff with appropriate powers;
- ensure the presence of justifications for expenditure made with company credit cards;
- carry out specific checks and monitoring with regard to the use of company credit cards and, more generally, with regard to employee expense reports;
- ensure compliance with the internal limitations defined by company procedures on expense accounts and the use of company credit cards, as well as on entertainment expenses;

- verify that the expenses incurred are inherent to the performance of the work activity, congruent and adequately documented by means of fiscally valid supporting documents;
- ensure that entertainment expenses are not repetitive towards the same beneficiary and that the full traceability of the persons involved is guaranteed
- ensure a periodic verification process of staff expense reports;
- ensure, in the event of abnormal expenses, that they are not reimbursed.

In the context of the above-mentioned conduct, **it is forbidden to:**

- spending money on meals, entertainment or other forms of hospitality outside the provisions of company procedures; - making expense reimbursements that:
  - have not been duly authorised
  - are not adequately justified in relation to the type of activity carried out
  - are not supported by fiscally valid receipts or are not disclosed in the notes.

***

The main examples of offences with reference to the following Instrumental Processes are listed below:

- *Cash flow management;*
- *Management and valuation of receivables from customers;*
- *Management of intercompany relations.*

The non-transparent management of financial resources could present risk profiles in relation to offences against the Public Administration in the event, for example, that the Company is allowed to set aside funds for corrupt purposes.

The management and valuation of receivables from customers could present risk profiles in relation to the offence of bribery in the event that, for example, a subordinate or senior person of the Company authorises a transfer of receivables at a loss, even though the requirements are not met, in order to grant a benefit to the counterparty and create a provision to be used for bribery purposes.

The management of intercompany relations could present risk profiles in relation to offences against the Public Administration and its assets in the event that the Company uses financial resources in transactions with Group companies in order to create funds to be used for corrupt purposes.

With reference to the activities envisaged above, the specific principles of conduct are set out below.

The Addressees as defined above who, by reason of their office or function or specific mandate, are involved in the management of financial flows, in the management and evaluation of loans to customers and in the management of intercompany relations are **obliged to:**

- ensure that financial resources are managed in accordance with the rules defined by the Company;

- authorise the management and handling of financial flows only to persons identified in advance and endowed with appropriate power of attorney;
- ensure an approval process for payments, in accordance with the Bank's system of delegated and proxy powers;
- carry out procedural controls with reference to financial management, with particular attention to flows that are not part of the typical processes of the company and which are therefore managed in an extemporary and discretionary manner, in order to prevent the formation of hidden reserves;
- ensure the evaluation and monitoring of investments made;
- ensure that all dispositions on bank accounts in the Company's name, as well as payments made using different methods (e.g. company credit cards), are adequately documented and authorised in accordance with the proxy system in force;
- bank reconciliations are monitored on a monthly basis;
- in the case of the use of funds in the petty cash, comply with the internal company rules as well as with the limits on the use of cash as set out in the regulations in force;
- set limits on the autonomous use of financial resources by defining quantitative thresholds consistent with the organisational roles and responsibilities assigned to individual persons;
- carry out all movements of financial flows with instruments that guarantee traceability;
- ensure that, for the management of incoming and outgoing flows, only banking channels and other accredited financial intermediaries subject to European Union regulations or credit/financial institutions located in a non-EU country are used, which impose obligations equivalent to those laid down by laws on money laundering and provide for the monitoring of compliance with such obligations
- ensure adequate segregation between those who can upload payment slips, approvers and those who manage sensitive data within supplier records;
- ensure that banking operations, such as the opening and closing of the Company's bank accounts and other dispositive operations, are only authorised by persons with adequate powers
- ensure that intercompany relations are regulated by specific contracts/agreements governing, inter alia, roles, responsibilities and agreed remuneration
- ensure the correct and complete preparation, in line with the provisions of the applicable legislation, of transfer pricing documentation, suitable to certify the compliance with the 'normal value' of the transfer prices applied in intercompany transactions;
- ensure that the above documentation contains, inter alia, the following information
    - the mapping of intra-group transactions;
    - the definition of cost sharing arrangements;
    - the formulation of a transfer pricing policy;

- ensuring that documentation is signed by persons with appropriate authority; evaluating customer receivables using rating systems;

- ensure that receivables are only transferred at a loss on the basis of internal policies and procedures, certain and reliable documentation, attesting to the actual unrecoverability of the receivable, consistent with accounting principles and tax regulations;

- where third parties are used to manage receivables, ensure that relations with them are formalised by means of written contracts containing clauses specifying: o that the third party declares that it complies with the principles set forth in Legislative Decree No. 231/2001, as well as that it complies with the principles of the Code of Business Conduct

  - that the third party declares that it has put in place all the necessary fulfilments and precautions aimed at preventing the offences indicated above, having equipped - where possible - its own corporate structure with internal procedures and systems fully adequate for such prevention
  - that the untruthfulness of the aforesaid declarations could constitute grounds for termination of the contract pursuant to Article 1456 of the Italian Civil Code;

- ensure that the selection of any third parties takes place in compliance with the provisions set out in the section "Management of purchases of goods and services (including consultancy)" of this chapter;

- ensure that the documentation is filed with the functions involved in the process;

- communicate, without delay, to the company management and, at the same time, to the Supervisory Body, any critical issues that may arise in the context of the activity under review.

- report to the Supervisory Body, on a six-monthly basis, the results of the controls carried out on incoming and outgoing financial flows, with an indication of any anomalies encountered (e.g. lack of supporting documentation, flows relating to purposes not related to the company activity, etc.).

In the context of the aforementioned conduct, **it is prohibited to**:

- make payments in cash for amounts exceeding the regulatory limits or by non-traceable means of payment;
- make payments to numbered current accounts or current accounts not in the supplier's name; or
- make payments to current accounts other than those provided for in the contract;
- make payments that are not adequately documented;
- receive payments from persons who do not have any business/contractual relationship with the Company, except in specific cases governed by company procedures;
- create funds against unjustified payments (in whole or in part), also through relations with Companies belonging to the Group;
- create funds, or allow funds to be created, that are illicit, hidden or in any case not properly accounted for, through any illicit, simulated, fictitious and/or not properly accounted for financial operation or movement
- carry out transfers of cash or bearer bank or postal passbooks or bearer securities in euro or foreign currency, when the value of the transaction, even if fractioned, is overall equal to or greater than the limit established by the Anti-Money Laundering Regulations

- make requests for the issue and use of bank and postal cheque forms in free form, instead of those with a non-transferability clause
- issue bank and postal cheques that do not bear the name or company name of the payee and the non-transferability clause; and
- open accounts or savings books anonymously or in fictitious names and use those that may have been opened in foreign countries;
- make transfers without the indication of the counterparty;
- make money transfers in respect of which there is no full coincidence between the recipients/orderers of the payments and the counterparties actually involved in the transactions;
- make payments or recognise fees in favour of third parties operating on behalf of the Company, which are not adequately justified in the context of the contractual relationship established with the same;
- make payments from/to an account other than the one indicated in the registry or relating to credit institutions based in tax havens or which do not have physical establishments in any country;
- making payments from/to counterparties based in tax havens, countries at risk of terrorism, etc.; and
- authorise the transfer to loss of loans without meeting the requirements.

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The main examples of offences with reference to the following activities are listed below:

- *Management of gifts, donations, events and sponsorships;*
- *Management of internal and external communication (investors, advertising, etc.) (investors, advertising, etc.).*

The management of gifts, donations, events and sponsorships could present risk profiles in relation to the offence of bribery in the event that a senior or subordinate person of the Company grants donations of significant value to public counterparties, in order to perform corrupt actions and obtain unlawful benefits.

The management of internal and external communication (investors, advertising, etc.) could present risk profiles in relation to bribery offences in the event that a senior person or subordinate of the Company were to use the funds allocated for the management of communication and marketing activities for corrupt purposes in order to obtain unlawful benefits, in favour of the Company, from public counterparties.

With reference to the above-mentioned activities, the specific principles of conduct are set out below.

Those who, by reason of their office or function or specific mandate, are involved in the aforementioned activities **are obliged to**

- ensure compliance with the company and group rules governing the processes listed above;

- ensure that the corporate procedures provide for specific limitations in relation to the characteristics of the hospitality, the duration of the events, the programme and the contents;
- ensure that the sponsorship of an event falls within the scope of an approved budget in the manner laid down by company procedures;
- ensure that all events are approved in accordance with the delegation scheme in force;
- in the case of events organised by the Company with the support of third parties (agencies, fitters, etc.), ensure that they are always selected in compliance with the provisions set out in the section 'Managing the purchase of goods and services (including consultancies)' of this chapter;
- ensure that gifts are of reasonable value, linked to a predefined business purpose and purchased and provided in compliance with corporate procedures
- ensure the existence of a catalogue of goods/services that may be granted as free gifts, indicating the cost of each item;
- submit for validation any free gifts not included in the catalogue;
- ensure the transparency and traceability of the approval and payment process for free gifts;
- ensure the complete and correct filing and registration, also by means of dedicated registers, of the gifts provided, indicating, among other things, the characteristics of the individual gadget and the relevant recipients
- ensure that donations and acts of liberality are approved by persons with appropriate powers;
- provide for a prior screening of the hypothetical beneficiary of the donation, for the purpose of verifying the peculiarities and integrity of the same
- ensure the transparency and traceability of donations and acts of liberality disbursed
- ensure the complete archiving, by the functions involved, of the documentation certifying the contribution made;
- provide that relations with counterparties are formalised through appropriate contractual instruments;
- provide for a periodical report to be sent to the Supervisory Body on gifts, events, sponsorships and gratuities.

In the context of the aforementioned conduct, **it is forbidden to**

- distributing gifts and gratuities outside the scope of company practice: permitted gifts are always characterised by the exiguity of their value or because they are aimed at promoting initiatives of a charitable or cultural nature or the Company's brand image. Gifts offered - except those of modest value - must be adequately documented to allow verification by the Supervisory Body. In particular, any gifts to Italian and foreign public officials or their relatives that may influence their independence of judgement or induce them to secure any advantage for the Company are prohibited;
- make donations for charity and sponsorship without prior authorisation or outside the scope of company practice; such contributions must be intended exclusively to promote initiatives of a charitable or cultural nature or the brand image of the Group

- promise or grant utilities in favour of public/private bodies, or to other subjects indicated by them, in order to ensure undue advantages to the Company
- promise or grant utilities to Italian or foreign public officials, including sponsorships, for purposes other than institutional and service purposes
- offer or promise to Public Officials or their relatives, directly or indirectly, any form of gift or free services that may appear to be connected in any way with the business relationship with the Company, or aimed at influencing the independence of judgement, or inducing them to ensure any advantage for the Company
- promise or grant contributions to persons whose names are contained in the Lists available at the Bank of Italy, or to persons controlled by them, when such control relationship is known.

2.2 Sensitive Processes in the area of computer crime and unlawful data processing and offences related to copyright infringement

The main Sensitive Processes that the Company has identified internally in relation to the offences referred to in Articles 24-bis and 25-novies of Legislative Decree 231/01 are the following:

- Information security management; (Annex 3, Sheet 07)
- Management of internal and external communication (investors, advertising, etc.). (Annex 3, Sheet 09)

The Functions/Corporate Departments involved in the Sensitive Processes listed above and falling within the specific Offence Family are set out in Annex C to this Model. Annex C also indicates the internal processes and related company procedures.

Specific Principles of Conduct

The Principles set out below are applicable in general to all Addressees, and in particular, to the Company Functions/Departments involved in Sensitive Processes and listed in Annex C.

In addition to what is stated in the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of the aforementioned processes takes place in absolute compliance with

- applicable laws and regulations
- company and Group policies and procedures;
- principles of fairness, correctness and clarity;
- Code of Conduct.

In general, it is prohibited to engage in conduct or to contribute to conduct that may fall within the cases referred to in Articles 24-bis and 25-novies of Legislative Decree No. 231/2001 referred to above.

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The main examples of offences with reference to the following activity are listed below:

- *IT security management.*

The management of computer security could present risk profiles in relation to the configuration of computer crimes in the event that, for example, a senior person or subordinate of the Company uses the computer tools made available by the Company to commit one of the offences referred to in Article 24-ter of Legislative Decree No. 231/2001.

The management of computer security could present risk profiles in relation to the configuration of offences relating to violation of copyright in the event that, for example, a senior person or subordinate of the Company, in order to obtain financial savings, installs software without having acquired the relevant licences.

The Addressees as defined above who, by reason of their position or function or specific mandate, are involved in the management of the aforementioned process are obliged to

- ensure compliance with both local and Group operating procedures on IT matters, which are an integral part of the corporate organisational Model;
- for operations concerning the management of accesses, accounts and profiles, provide that
  - authentication requirements are formally defined for the systems for access to data and for the assignment of remote access to the same by third parties such as consultants and suppliers;
  - the identification codes (user-id) for access to applications and to the network are individual and unique;
  - the assignment of Super User IDs (SUIDs) is renewed periodically;
  - the correct use of Super User-IDs is constantly monitored;
  - the correct management of passwords is defined by guidelines, communicated to all users for their selection and use;
  - computer system users are adequately informed of the importance of keeping their access codes confidential and not disclosing them to third parties;
  - the criteria and methods for creating access passwords to the network, applications, corporate information assets and critical or sensitive systems are defined (e.g. minimum password length, complexity rules, expiry date);
  - users' accesses, by whatever means, to data, systems and the network are periodically audited;
  - applications keep track of changes to data made by users;
  - the criteria and procedures for assigning, modifying and deleting user profiles are defined;
  - administrator profiles are managed exclusively by persons with specific powers;

- an authorisation matrix - applications/profiles/applicants - is prepared, aligned with existing organisational roles;
- periodic checks are performed on user profiles in order to verify that they are consistent with the assigned responsibilities;
- periodic checks are performed in order to verify the actual use of accounts and, in the event of user inactivity, proceed to account deletion;

- for operations concerning the management of telecommunications networks, provide that
  - responsibilities for network management are defined;
  - security controls are implemented to ensure the confidentiality of data within the network and in transit on public networks;
  - network segregation and network traffic monitoring mechanisms are adopted;
  - network security event tracking mechanisms are implemented (e.g. anomalous accesses by frequency, mode, time);
  - the implementation and maintenance of telematic networks is regulated through the definition of responsibilities and operating methods, periodic checks on the operation of the networks and on the anomalies encountered;
  - periodic checks are carried out on the company computer network, in order to identify anomalous behaviour such as, for example, the downloading of large files, or exceptional activities of the servers outside company operating hours;
  - the criteria and methods for back-up activities are defined, providing, for each telecommunication network, the frequency of the activity, the methods, the number of copies, the data retention period
  - a business continuity plan and a disaster recovery plan are defined and periodically updated and tested;
- for operations concerning the management of hardware systems, which also includes the management of the back-up and continuity of information systems and processes deemed critical, provide that
  - the criteria and procedures are defined for the management of hardware systems that provide for the compilation and maintenance of an updated inventory of the hardware in use at the Company and that regulate the responsibilities and operating procedures in the event of implementation and/or maintenance of hardware;
  - the criteria and methods for back-up activities are defined, providing, for each hardware application, the frequency of the activity, the methods, the number of copies and the data retention period;
- - for operations concerning the management of software systems, which also includes the management of the back-up and continuity of information systems and processes deemed critical, provide that
  - criteria and procedures are defined for the management of software systems that provide for the compilation and maintenance of an updated inventory of the software in use at the company, the use of formally authorised and certified software, and the performance of periodic checks on the software installed and on the mass memories of the systems in use in order to check for the presence of prohibited and/or potentially harmful software

- the criteria and methods for change management (understood as the updating or implementation of new technological systems/services) are defined
- computer system users are informed that the software assigned to them is protected by copyright laws and as such, its duplication, distribution, sale or possession for commercial/entrepreneurial purposes is prohibited;
- prohibit the downloading of copyrighted software;
- the installation and use of software not approved by the Company and not related to the professional activity performed by the recipients or users is prohibited;
- it is forbidden to install and use, on the Company's computer systems, unauthorised software (so-called "P2P", file sharing or instant messaging software) by means of which it is possible to exchange with other persons within the Internet network all types of files (such as films, documents, songs, viruses, etc.) without any possibility of control by the Company;

- for operations concerning the management of physical access to sites where IT infrastructures reside, provide that
  - security measures taken, the manner of surveillance and its
  - frequency, responsibility, the reporting process for violations/breaches of the
  - technical or security measures, the countermeasures to be activated;
  - physical access credentials are defined for the sites where the information systems and
  - IT infrastructures such as, for example, access codes, token authenticator
  - pins, badges, biometric values and their traceability;
- for operations concerning the management of digital signature devices, provide for the defined criteria and methods for the generation, distribution and revocation of devices as well as controls for the protection of devices from possible modification or unauthorised use authorised uses;
- in the event that IT security management is carried out - in whole or in part - with the support of third parties, ensure that the selection of the same always takes place in compliance with the provisions set out in the 'Purchase of goods and services (including consultancy)' section of the of this Model and that they are subject to periodic monitoring by the ICT Function.

In the context of the aforementioned conduct, **it is forbidden to:**

- use the IT resources (e.g. fixed or portable personal computers) and network resources assigned by the Company for personal purposes or for purposes other than work-related ones
- alter electronic documents, public or private, for evidential purposes;
- gain unauthorised access to a computer or telematic system or hold it against the express or tacit will of the person who has the right to exclude it (the prohibition includes both access to internal information systems and access to the information systems of competing entities, public or private, for the purpose of obtaining information on commercial or industrial developments)

- procuring, reproducing, disseminating, communicating or bringing to the knowledge of third parties codes, passwords or other means suitable for accessing a third party "s computer or telecommunication system protected by security measures, or in providing indications or instructions suitable for allowing a third party to access a third party "s computer system protected by security measures
- procuring, producing, reproducing, importing, disseminating, communicating, handing over or, in any case, making available to others computer equipment, devices or programmes for the purpose of unlawfully damaging a computer or telecommunication system, the information, data or programmes contained therein or pertaining thereto, or of facilitating the total or partial interruption or alteration of its operation (this prohibition includes the transmission of viruses for the purpose of damaging the information systems of competing entities)
- unlawfully intercept, prevent or interrupt computer or telematic communications;
- destroying, deteriorating, deleting, altering or suppressing information, data and computer programs (the prohibition includes unauthorised intrusion into the information system of a competing company, with the aim of altering the latter's information and data)
- destroying, damaging, deleting, altering or suppressing computer information, data and programmes used by the State or other public body or pertaining to them or in any case of public utility
- destroying, damaging, rendering wholly or partially unusable computer or telecommunications systems of others or seriously obstructing their operation;
- destroying, damaging, rendering totally or partially unusable computer or telematic systems of public utility or seriously obstructing their operation;
- install software/programmes in addition to those existing and/or authorised or lacking the appropriate licences.

The Company not only prepares and communicates the procedures relating to the various IT activities, but also makes available on the company intranet the regulations on the policies for the use and security of information systems, which form an integral part of this Model.

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The following are the main examples of crimes with reference to the following activity:

- Management of internal and external communication (investors, advertising, etc.).

The management of internal and external communication, and in particular marketing, could present risk profiles in relation to copyright infringement crimes in the event that, For example, the Company’s apical or subordinate entity misused, for advertising purposes, works of the ingenuity of others' properties.

The Addressees, as defined above, who, by reason of their assignment or function or specific mandate, are involved in the management of the aforementioned activity, are required to:

- to ensure compliance with internal, Community and international legislation protecting intellectual property;

- use copyrighted works on the basis of formal written agreements with the rightful owner for their exploitation and in any case within the limits of such agreements;
- diligently take care of administrative obligations related to the use of works protected by copyright.

In the context of the aforementioned conduct **it is prohibited to:**

- disseminate and/or transmit, through websites, works of third parties protected by copyright in the absence of agreements with their owners, or in violation of the terms and conditions provided for in those agreements.

2.3 Sensitive Processes in the context of crimes of receiving, laundering and use of money, goods or utilities of illicit origin, as well as self-laundering, crimes of organised crime and crimes for the purpose of terrorism or subversion of the democratic order

The main Sensitive Processes that the Company has identified internally in relation to the crimes referred to in art. 24-ter and 25-quarter and 25-octies of D.Lgs. 231/01 are as follows:

- Customer relations management; (Annex 3, Sheet 14)
- Management of purchases of goods and services (including advice); (Annex 3, Sheet 19)
- Gift management, donations, events and sponsorships; (Annex 3, Sheet 16)
- Management of cash flows; (Annex 3, Sheet 15)
- Management of intercompany reports; (Annex 3, Sheet 01)
- Personnel management and award system; (Annex 3, Sheet 11)
- Management of remarketing activities; (Annex 3, Sheet 06)
- Selection and management of business partners; (Annex 3, Sheet 02)
- Accounting management, budgeting and taxation management; (Annex 3, Sheet 08)
- Management of shareholders' meetings, capital transactions and other non-routine operations. (Annex 3, Sheet 17)

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are reported in Annex C to this Model. Annex C also indicates the internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these activities takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in conduct or to contribute to the realization of conduct that may fall within the circumstances referred to in art. 24-ter and 25-quarter and 25-octies of D.lgs. 231/2001 referred to above.

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The following are the main examples of offences with reference to the following activities:

- Managing customer relationships;
- Management of remarketing activities.

The management of customer relationships could present risk profiles in relation to the commission of money laundering offences in the event that a apical or subordinate entity supported a client in the re-activityplacing in the legal circuit of money or other illicit goods.

Customer relationship management could present risk profiles in relation to the commission of money laundering offences in the event that a bank's apical or subordinate entity fails to comply with anti-money laundering obligations, in order not to detect deficiencies and/or irregularities in the information declared by a customer and/or in the documentation provided by a customer (for example, incomplete or false documents, etc.), allowing, as a result of such omission, the establishment of an economic/financial relationship with individuals who use illicit money in economic or financial activities or with entities linked to terrorist associations.

The management of customer relationships could present risk profiles in relation to crimes for the purpose of terrorism in the event that, for example, a top-level or subordinate entity of the Company would provide funding to terrorist organisations or entities related to them.

The management of relationships with customers could present risk profiles in relation to crimes of organised crime in the event that, for example, a apical or subordinate entity of the Company provides funding to subjects linked to criminal organizations.

The management of remarketing activities could present risk profiles in relation to the crime of self-laundering in the event that, for example, an apical or a subject, having committed or contributed to the offence of disturbance by auction in the course of a tendering procedure, employs, replaces, transfers into economic, financial, entrepreneurial or speculative activities, the proceeds from the commission of that offence, in such a way as to obstruct the identification of their criminal origin.

The management of remarketing activities could present risk profiles in relation to the commission of money laundering offences in the event that a bank's apical or subordinate entity fails to comply with anti-money laundering obligations, in order not to detect deficiencies and/or irregularities in the information declared by a customer and/or in the documentation provided by a customer (for example, incomplete or false documents, etc.), allowing, as a result of such

omission, the establishment of an economic/financial relationship with individuals who use illicit money in economic or financial activities or with entities linked to terrorist associations.

The management of remarketing activities could present risk profiles in relation to the crime of organised crime in the event that the Company enters into fictitious or improper contracts with subjects close to criminal associations, in order to obtain economic and/or tax benefits.

The management of remarketing activities could present risk profiles in relation to terrorist offences in the event that, for example, an apical or subordinate entity of the Company provides to terrorist organisations or related entities, products that can also be used in terrorist activities.

To the Addressees as defined above that, by reason of their assignment or their function or specific mandate, they are involved in the management of the above mentioned activities, in addition to the

"Sensitive Processes in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model, is made an obligation to:

- ensuring compliance with Group anti-money laundering policies and procedures;
- ensure segregation of tasks between the different actors involved in the process;
- identify and know the customers and the subjects on whose behalf the customers operate (c.d. actual owners);
- identify the legal person's/the owner/the members of the client in accordance with the procedures provided for by the relevant legislation;
- ensuring the conduct of customer due diligence activities on its counterparties and assigning a consistent risk profile for money laundering and terrorist financing;
- acquiring and retaining a copy of an original identity document, not expired, of the entity subject to the appropriate verification activity;
- acquire information about the nature and purpose of the relationship or transaction;
- verify, if the customer is a legal person, the existence of the powers of representation of the signatory through a comparison with a reliable and independent source (e.g. Cerved);
- verify the documentation, data or information obtained;
- verify the correctness and completeness of the personal data and information relating to the economic activity carried out;
- verify the consistency between the/i subject/i included in the request for funding as owner/i actual/i and what results in the tools;
- verify the consistency between the financing requested and the economic and financial profile of the client;
- verify the possible qualification of a potential client as Politically Exposed Person (Peps);
- acquire the declaration of the qualification of Person Politically Exposed by the customer;
- ensure that funding for those on the lists of Politically Exposed Persons has been granted only after appropriate enhanced verification has been carried out and only after authorisation by the Director General or his delegate;

- verify the presence of the name of the potential customer or the existing customer in the Black List;
- ensure the use of computer control applications suitable to prevent the operation in relation to countries or subjects subject to financial and commercial restrictions (so-called "international sanctions");
- report to the Agency in charge of the movements deemed to be abnormal, in order to proceed with the appropriate investigations and/or reports;
- evaluate the execution of a Suspicious Transaction Report (SOS) after having ascertained the Terrorist status of the potential client;
- submit an SOS if it is not possible to meet customer due diligence requirements;
- observe the company's procedures governing checks to assess abnormal transactions and reporting suspicious transactions;
- ensure that no funds have been granted to entities for which Terrorist status has been established;
- update existing customer information;
- continuously assess the risks of money laundering or terrorist financing in accordance with the modalities and timing of the risk profile assigned;
- prepare a specific external report reserved for the Supervisory Authorities and internal reporting;
- ensure that all documentation relating to customer identification activities as well as periodic checks on customer positions is properly archived by the relevant bodies;
- ensure that any change in the profile of the customer and the decision whether or not to submit a suspicious transaction report is duly justified and accompanied by appropriate documentation;
- to provide continuing training for employees and collaborators in anti-money laundering and combating the financing of terrorism;
- in the event that the Company makes use of the support of third parties (consultants, lawyers, etc.) for the fulfilment of anti-money laundering obligations, ensure that the selection of the same is always in compliance with the provisions of section "Management of purchases of goods and services (including consultancies)".

In the context of the aforementioned conduct **it is prohibited to:**

- establish ongoing relationships, maintain existing ones and carry out operations if it is not possible to comply with the obligations of adequate verification of customers;
- grant financing to entities for which the status of Terrorist has been established;
- carry out operations suspected of being involved in money laundering or terrorist financing;
- replace or transfer money, goods or other utility from illicit activities, or carry out in relation to them other operations, so as to hinder their identification of their origin
- provide clients belonging to or otherwise close to organised crime with financial resources, services or financial resources that can facilitate the illegal activity;

- receive or conceal money from any crime and carry out activities that facilitate its purchase, reception or concealment.

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The following are the main examples of crimes with reference to the following Sensitive Processes:

- Management of purchases of goods and services (including advice);
- Selection and management of business partners;
- Personnel management and award system;
- Management of cash flows;
- Gift management, gifts, events and sponsorships;
- Management of intercompany relationships.

The management of purchases of goods and services (including consultancy) could present risk profiles in relation to the crime of receiving in the event that the Company, in order to obtain an undue advantage, proceeds to the purchase of illicit goods.

The management of purchases of goods and services (including advice) could present risk profiles in relation to the crime of self-laundering in the event that, for example, invoices or other documents are recorded for non-existent transactions in order to evade taxes on income or value added, thus allowing the Company to provide illicit sources to be used, replaced, transferred to economic activities, financial, entrepreneurial or speculative, so as to concretely hinder the identification of the criminal origin.

Management of purchases of goods and services (including advice) it could present risk profiles in relation to the configuration of organised crime crimes in the event that the Company enters into contracts that are fictitious or have deliberately inadequate values suppliers close to criminal organizations, in order to obtain economic and/or tax benefits.

An opaque management of the process of managing the purchases of goods and services could present risk profiles inherent in crimes with terrorist purposes in the event that, for example, the Company, transferring sums of money, provided financial support to organisations involved in terrorist or subversive activities.

The selection and management of business partners could present risk profiles in relation to the crime of organised crime in the event that the Company selects third parties affiliated or close to a mafia-style association.

The selection and management of business partners could present risk profiles in relation to the crime of organised crime in the event that, for example, a top-level or subordinate entity of the Company:

- enter into contracts with criminal organisations that are fictitious or deliberately inappropriate in order to obtain economic and/or tax benefits;
- selected counterparties "close" to criminal organisations in order to obtain economic benefits;

- select and recruit personnel "close" to criminal organizations in order to obtain economic benefits.

An opaque management of the process of selection and management of business partners could present risk profiles inherent in crimes for the purpose of terrorism in the event, for example, the Company, transferring sums of money, provided financial support to organisations involved in terrorist or subversive activities.

Personnel management could present risk profiles in relation to organised crime offences in the event that the Company, in order to receive an undue advantage, selects an individual who has been reported or close to a criminal organisation.

The management of financial resources and, in particular, the receipt of payments, could present risk profiles in relation to crimes of receiving, laundering and use of money in the event that, for example, the Company accepts money from illegal activities.

An opaque management of financial resources could present the risk in relation to the commission of the crime of self-laundering in the event that, for example, it is possible to set aside funds of illegal origin to be used, replace, transfer, in economic, financial, entrepreneurial or speculative activities, so as to concretely hinder the identification of their criminal origin.

The management of financial flows could present risk profiles in relation to organised crime and terrorist offences in the event that, For example, the Company pays payments not due for services that are wholly or partly non-existent to third parties linked to criminal, mafia or terrorist associations in order to facilitate their illegal activity.

The management of gifts, liberality, events and sponsorship could present risk profiles in relation to crimes of organised crime in the event that a subject subject or top of the Company relies on agencies/ third parties linked to criminal associations.

The management of gifts, of donations, events and sponsorships could present risk profiles in relation to crimes for the purpose of terrorism in the event that a subject apical or subject of the Company sponsored and promoted charitable activities to subjects related to terrorist organizations.

The management of intercompany relationships could present risk profiles in relation to the crimes of receiving or laundering in the event that the Company's prosecutors, or other persons appointed by them, used financial resources in transactions with Group companies, in order to facilitate the introduction into the legal circuit of illicit money.

For specific conduct principles in relation to:

- Management of purchases of goods and services (including advice);
- Selection and management of business partners;
- Personnel management and reward system;
- Management of cash flows;
- Management of intercompany relationships;
- Management of gifts, gifts, events and sponsorships.

Refers to the provisions in the "Sensitive Processes in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following Sensitive Processes:

- *Accounting management, budgeting and tax management;*
- *Management of shareholders' meetings, capital transactions and other non-routine operations.*

The management of taxation could present risk profiles in relation to the configuration of the crime of self-laundering in the event that, for example, a subject apical or subject of the Company, using invoices or other documents for non-existent transactions in order to evade income or value added tax, indicated in one of the annual declarations relating to those taxes notional items payable and thus constituted a supply of unlawful origin used, replaced, transferred by the same entity in economic activities, The European Commission is currently preparing a proposal for a Council Directive on the approximation of the laws of the Member States relating to the protection of the financial interests of undertakings so as to prevent the identification of the origin of the offence.

The management of capital transactions and other non-routine operations could present risk profiles in relation to money laundering or self-laundering offences where members of the Board of Directors, the Auditors or the Members carried out transactions through the use of money from illegal activities.

For specific conduct principles in relation to:

- *Accounting management, budgeting and tax management;*
- *Management of shareholders' meetings, capital transactions and other non-routine operations*

Refers to the provisions of the "Sensitive Processes in the field of corporate crimes (including crimes of corruption between private individuals)".

In addition, the Addressees, as defined above, who, by reason of their assignment or function or specific mandate, are involved in the management of these activities, are required to verify, before the execution of the operation, that the counterparty is not present in the "Black Lists" or in the lists related to financial and commercial restrictions (so-called "international sanctions").

2.4 Sensitive Processes in the context of non-cash payment instruments crimes

Sensitive Processes that the Company has identified internally in relation to the offences referred to in art. 25-octies.1 of D.Lgs. 231/01 are the following:

- Management of non-cash payment instruments (Annex C, Sheet 20);

- Computer security management. (Annex 3, Sheet 07).

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are reported in Annex C to this Model. Annex C also indicates the internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these activities takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in behaviours or contribute to the realization of conduct that may fall within the cases referred to in art. 25-octies.1 of D.lgs. 231/2001 referred to above.

***

The following are the main examples of crimes with reference to the following activity:

- *Management of non-cash payment instruments.*

The management of non-cash payment instruments could present risk profiles in relation to the crime of misuse and falsification of non-cash payment instruments where, for example, a member of the Company unduly used third party credit cards or other means of payment other than cash, without being the holder, in the interest of the Company.

In addition, the management of non-cash payment instruments could present risk profiles in relation to the offence of computer fraud where, for example, a company member was altering the functioning of a computer system, resulting in a transfer of money to the detriment of third parties and to the benefit of the Company.

The Addressees, as defined above, who, by reason of their assignment or function or specific mandate, are involved in the management of these activities, are required to:

- ensure that the process of managing non-cash payment instruments - including corporate credit cards (and other cards with limited spendability) - takes place in accordance with the principle of segregation of roles and that there are - in relation to the aforementioned

instruments - specific controls regarding the issuing, delivery, replacement, renewal, activation, revocation, renunciation or withdrawal of the Customer or the Employee;
- ensure that a clear identification of the holders of the payment instruments and the arrangements for authorising payments is ensured;
- ensure that, where non-cash business payment instruments are used by non-holders, a delegation is given with clear instructions and a precise scope of operation for users;
- ensure constant monitoring and traceability of non-cash payment instruments issued by the Company to Customers or Employees;
- if they are outsourcers or third parties in the management of payment instruments other than cash, the contracts with such subjects must contain a special forecast of knowledge of the legislation referred to in Legislative Decree no. 231/01 and commitment to its compliance;
- report to the responsible party any attempt of falsification and misuse of non-cash payment instruments by Employees, Customers or third parties known to the Recipients.

In addition, the Company guarantees that training activities are carried out towards Employees on the risks associated with the use of non-cash payment instruments and on the control procedures adopted.

In the context of the aforementioned conduct **it is prohibited to:**

- falsify, alter, misuse - not being the owner and in order to profit from it for themselves or others (in particular, for the Company) - credit or payment cards, any document enabling the withdrawal of cash or the purchase of goods or services and any other non-cash means of payment;
- alter in any way the functioning of computer or telematic systems or intervene on the contents of such systems in order to carry out a transfer of money, monetary value or virtual currency.

***

The following are the main examples of crimes with reference to the following activity:

- Computer security management.

IT security management could present risk profiles in relation to the offence of IT fraud where, for example, a company member alters the functioning of a computer system, resulting in a transfer of money to the detriment of third parties and to the benefit of the Company.

To the Addressees as defined above that, by reason of their assignment or their function or specific mandate, they are involved in the management of the above mentioned activity, in addition to the "Sensitive Processes in the field of cybercrime offences and illicit processing of data and offences relating to copyright infringement" of this Model, is required to:

- ensure the monitoring and traceability of physical equipment and hardware in use at the Company;
- provide locking systems in relation to the installation and use of unapproved hardware and software not related to the professional activity performed by individual employees;

- to carry out periodic checks in order to detect any installation of unauthorized programs, also preventing the forced elimination of any unauthorized content.

In the context of the aforementioned conduct it is prohibited to:

- to alter in any way the functioning of computer or telematic systems or to intervene on the contents of such systems in order to effect a transfer of money, monetary value or virtual currency;
- trespass, directly or through an intermediary person, into a computer or telematic system protected by security measures against the will of the holder of the right of access also in order to misuse, falsify or alter non-cash means of payment.

2.5 Sensitive Processes in the field of counterfeit currency offences, in public credit cards, in stamp values and in instruments or signs of recognition and in crimes against industry and trade

The main Sensitive Processes that the Company has identified internally in relation to the crimes referred to in art. 25-bis and 25-bis I of D.Lgs. 231/01 are the following:

- *Management of remarketing activities; (Annex C, Sheet 06)*
- *Management of development activities; (Annex C, Sheet 05)*
- *Management of internal and external communication (investors, advertising, etc.). (Annex C, Sheet 09)*

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are reported in Annex C to this Model. Annex C also indicates the internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the "General Control Environment" paragraph, at the beginning of this Section, there is an obligation to ensure that the performance of these procedures is carried out in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in conduct or to contribute to the realization of conduct that may fall within the circumstances referred to in art. 25-bis and 25-bis I of D.lgs. 231/2001 referred to above.

***

The following are the main examples of crimes with reference to the following Sensitive Processes:

- • *Management of remarketing activities.*

The management of remarketing activities could present risk profiles in relation to the crime of fraud in the exercise of trade where, For example, a subject subject or top of the Company delivers to the customer a product of different quality than that declared or agreed upon in the agreement.

For specific conduct principles in relation to:

- *Management of remarketing activities.*

refers to the provisions in the "Sensitive Processes in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model.

***

The following are the main examples of crimes with reference to the following Sensitive *Processes:*

- *Management of development activities;*
- *Management of internal and external communication (investors, advertising, etc.).*

The management of the development activities of new services could present risk profiles in relation to falsehood offences in instruments or recognition marks where, for example, a top-level or subordinate subject of the Company being aware of the existence of the title of industrial property, contracts or alters trademarks or distinctive signs, domestic or foreign, of industrial products, or, without being involved in the infringement or alteration, makes use of such counterfeit or altered marks or marks.

The management of internal and external communication, and in particular marketing, as well as the management of the development activities of new services could present risk profiles in relation to crimes against industry and commerce in the event that, for example, the Company used fraudulent means, such as artifice, deception and lies, which could mislead a customer in the context of the promotion of new products and services, including the use of other people's registered trademarks, the dissemination of false and tendentious news and false advertising.

The management of internal and external communication, and in particular marketing, could present risk profiles in relation to the crimes of falsehood in instruments or signs of recognition in the event that, For example, a top-level or subordinate entity of the Company misused, for advertising purposes, a trademark or a pre-existing trademark or trademark belonging to others.

With reference to the above activities, the specific principles of behaviour are set out below.

The Addressees, as defined above, who, by reason of their assignment or their function or mandate, are involved in the management of research and development activities **are required to:**

- to ensure compliance with internal, Community and international legislation protecting industrial property rights, patents, designs and models;
- ensuring adequate segregation of development work;
- verify the absence of possible infringements of third party rights in the development of new services and communication activities;
- ensure the systematic monitoring of existing legislation.

In the context of the aforementioned conduct **it is prohibited to:**

- use or market products and services under third-party industrial property rights in the absence of agreements with their owners, or in breach of the terms and conditions of those agreements;
- - realize any conduct aimed, in general, at the production and marketing of products protected by third party industrial property rights.

2.6 Sensitive Processes in the field of corporate crimes (including private corruption)

The main Sensitive Processes that the Company has identified internally in relation to the offences referred to in art. 25-ter of D.Lgs. 231/01 are the following:

- Management of administrative obligations, relations with the Supervisory Authorities and related inspection activities; (Annex C, Sheet 18)
- Accounting, budgeting and tax management (Annex C, Sheet 08)
- Management of shareholders' meetings, capital transactions and other non-routine operations; (Annex C, Sheet 17)
- Management of relations with management bodies; (Annex C, Sheet 13)
- Management of internal and external communication (investors, advertising, etc.). (Annex C, Sheet 09)

With specific reference to the crimes of corruption between private individuals, the Company has also identified the following Sensitive and Instrumental Processes:

<u>Sensitive Processes</u>

- Customer relations management; (Annex C, sheet 14)
- Management of remarketing activities; (Annex C, sheet 06)
- Management of litigation and relations with the Judicial Authority and management of settlement agreements; (Annex C, sheet 12)

Instrumental Processes

- Management of purchases of goods and services (including advice); (Annex C, sheet 19)
- Selection and management of trading partners. (Annex C, sheet 02)
- Personnel management and reward system (Annex C, sheet 11)
- Management of expenditure notes and representation expenses; (Annex C, sheet 04)
- Management of cash flows; (Annex C, leaflet 15)
- Management and valuation of credit claims on customers; (Annex C, sheet 03)
- Management of intercompany reports; (Annex C, sheet 01)
- Handling of gifts, gifts, events and sponsorships; (Annex C, sheet 16)
- Management of internal and external communication (investors, advertising, etc.); (Annex C, sheet 09)

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are reported in Annex C to this Model. Annex C also indicates the internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.
In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these activities takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in behaviours or contribute to the realization of conduct that may fall within the cases referred to in art. 25-ter of D.lgs. 231/2001.

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Specific principles of conduct relating to corporate offences

The following are the main examples of crimes with reference to the following Sensitive Processes:

- *Accounting management, budgeting and tax management;*
- *Management of internal and external communication (investors, advertising, etc.).*

The management of the accounts and the preparation of the financial statements could present risk profiles in relation to the crime of false social communications, for example through the approval of an untruthful budget, also due to incorrect management, recording, aggregation and valuation of accounting data.

Accounting management could present risk profiles in relation to corporate crimes if the Company modifies the accounting data on corporate systems in order to provide a false representation of the financial position, economic and financial conditions through the inclusion of non-existent balance sheet items or values different from the real ones.

The management of internal and external communication (investors, advertising, etc.) could present risk profiles in relation to the crime of false social communications in the event that, for example, the Director or the Manager responsible for drawing up the accounting documents knowingly exposed material facts not true or omitted material facts, the disclosure of which is required by law, on the economic, financial or financial situation of the company or group, in a way that is concretely capable of misleading others.

To the Addressees, as defined above, who, by reason of their assignment or function or mandate, are involved in the management of accounting, in the preparation of the financial statements and their annexes, in the management of taxation or internal and external communication is required to:

- behave correctly, transparently and collaboratively, in compliance with the rules of law, the applicable accounting principles and internal rules, in all activities aimed at the formation of the financial statements and other social communications, in order to provide truthful and correct information on the economic, financial, financial and fiscal situation of the Company;
- ensure the strictest accounting transparency at all times and under all circumstances;
- carry out all communications (addressed to customers, the market and the press) in compliance with the principles of good faith, truthfulness, fairness and transparency;
- to identify clearly and comprehensively the functions affected by the communications and the data and information to be provided by them;
- to provide the necessary training on the main legal and accounting notions and issues relating to the budget, addressed to those responsible for the functions involved in the preparation of the budget and other related documents, taking care, in particular, both the training of new recruits and the provision of periodic refresher courses;
- strictly observe all the rules laid down by law to protect the integrity and effectiveness of the share capital, in order not to affect the guarantees of creditors and third parties in general;
- observe the rules of clear, correct and complete registration in the accounting activity of the facts relating to the management of the Company;
- ensure the completeness and accuracy of the closures;
- ensure compliance with the company rules on the preparation of statutory and consolidated financial statements;
- ensuring compliance with the rules on segregation of tasks between the person who carried out the operation, the person responsible for recording it in the accounts and the person carrying out the audit;
- to ensure compliance with the obligations (both in terms of declarations and payments) and the deadlines defined by tax legislation;

- to ensure that the draft financial statements are subject to the verification of all business functions provided for in the company's procedures;
- to guide the relationship with the Supervisory Authorities, including the tax authorities, to the maximum transparency, collaboration, availability and in full respect of the institutional role played by them and the existing legal provisions in this field, the general principles and rules of conduct referred to in the Code of Conduct and in this part of the Model;
- to comply promptly with the requirements of the same Authorities and with the required requirements;
- ensure that the documentation to be sent to the Supervisory Authorities is produced by the relevant persons and previously identified;
- use accounting systems that ensure the traceability of individual transactions and the identification of users who enter data into the system or modify its contents;
- ensure compliance with the requirements of the legislation on direct and indirect taxes; ensure that all intercompany relationships are formalized through appropriate contracts;
- ensure the smooth functioning of the Company and the Social Organs, guaranteeing and facilitating all forms of internal control over the social management provided for by law, as well as the free and correct formation of the shareholders' will;
- respect the procedure governing the evaluation and selection of the audit firm;
- assign consultancy assignments for activities other than auditing to the auditing firm or to the companies or professional entities that are part of the same network of the auditing firm, exclusively in compliance with current legislation;
- where third parties (companies, consultants, professionals, etc.) are used to manage the activities, ensure that relations with the aforementioned are formalized through written contracts containing clauses specifying:
  - or that the third party declares to respect the principles of D.lgs. 231/2001 and to respect the principles of the Code of Business Conduct;
  - or the third party declares that it has put in place all the necessary formalities and precautions aimed at the prevention of the above mentioned crimes, having provided - where possible - its company structure with internal procedures and systems that are fully adequate for such prevention;
  - or that the veracity of the aforementioned declarations could be cause of termination of the contract pursuant to art. 1456 c.c.;
- refrain from spreading false news or engaging in fraudulent transactions such as to deceive the public as to the real situation of the Bank, so as to affect - for the benefit or in the interest of the institution - the trust that third parties have in the stability of the same;
- ensure that disclosure of external information takes place in accordance with company procedures.

In the context of the aforementioned conduct **it is prohibited to:**

- to put in place actions aimed at providing misleading information with regard to the effective representation of the Company, not providing a correct representation of the economic, patrimonial, financial and fiscal situation of the Company;
- omit data and information required by the law on the economic, patrimonial and financial situation of the Company;
- return capital contributions to members or release them from the obligation to perform them, except in cases of a legitimate reduction in the share capital;
- make reductions in share capital, mergers or divisions in breach of the provisions of the law to protect creditors;
- to undertake in any way any notional formation or increase of the share capital;
- carry out transactions, including with Group Companies, in order to circumvent tax regulations;
- altering or destroying financial and accounting documents and information available on the network through unauthorised access or other appropriate action;
- make untruthful statements to the Supervisory Authorities, presenting documents wholly or in part that do not correspond to reality;
- use Inside Information depending on your position within the Group or for the fact that you are in business with the Group, to trade, directly or indirectly, financial instruments of a Group company, client or competitor companies, or other companies for their personal benefit, as well as to favour third parties or the company or other companies of the Group;
- disclose Inside Information relating to the Group to third parties, except where such disclosure is required by law, other regulatory provisions or specific contractual arrangements by which counterparties have undertaken in writing to use such information exclusively for the purposes for which it is transmitted and to maintain the confidentiality of the information;
- participate in discussion groups or chatrooms on the Internet about listed or unlisted financial instruments or issuers and in which there is an exchange of information concerning the Group, its companies, competing companies or publicly traded companies or financial instruments issued by those entities, unless the meetings are institutional meetings for which a verification of legality has already been carried out by the competent functions or there is an exchange of information whose non-privileged nature is evident;
- leave documentation containing Inside Information in places where it could easily be accessed by persons who are not authorized, in accordance with corporate procedures, to know such information.

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The following are the main examples of crimes with reference to the following Sensitive Processes:

- Management of shareholders' meetings, capital transactions and other non-routine operations;
- Management of relations with corporate bodies.

The management of the Shareholders' Meeting activities could present risk profiles in relation to the crime of illicit influence on the Assembly, in the event that the majority in the Assembly should in any way be reached through simulated or fraudulent acts, for example by submitting false or misleading documents or information.

The management of shareholders' meetings, capital transactions and other non-routine operations could present risk profiles in relation to the configuration of corporate crimes in the event that, for example, the Directors or Statutory Auditors of the Company, through capital transactions or improper management of the shareholders' meeting activities, put in place shares to the disadvantage of the Company's shareholders.

The management of shareholders' meetings, capital transactions and other non-routine operations could also present risk profiles in relation to the offence of obstructing the exercise of the functions of public supervisory authorities in the event that, For example, in communications to the public supervisory authorities to which they are required by law, administrators exposed material facts which did not correspond to truth in order to obstruct their activity.

Capital transactions and other non-routine transactions could present risk profiles in relation to the offences of undue return of contributions, illegal distribution of profits or reserves, illicit transactions on shares or shares and fictitious formation of capital if the members of the Board of Directors, the Statutory Auditors, or the Shareholders carry out illicit transactions that affect the Company's assets.

The management of relations with the corporate bodies could present risk profiles in relation to the commission of the crime of prevented control in the event that, for example, a subject subjected or apical of the Company, concealing documents and implementing other appropriate artifices, prevent or otherwise hinder the carrying out of the control activities legally attributed to the members to other corporate bodies.

All corporate fulfillments (convocations, keeping company books, administrative obligations, etc.) are managed by the Corporate Affairs entity, according to the methods and timing provided by law; the entity Corporate Affairs is responsible for the preparation of the minutes of the meetings and the maintenance of the company books.

All documentation must be archived by the functions involved in the process on the basis of the company rules and the relevant legislation.

Capital and/or non-routine transactions are approved and approved by the Board of Directors and/or the Shareholders' Meeting.

With regard to the management of shareholders' meetings, capital transactions and other non-routine operations, the parties involved must ensure the smooth functioning of the Company and its organs, guaranteeing and facilitating the free and correct formation of the Assembly's will.

The Addressees who, by reason of their assignment or their function or mandate, are involved in the Management of shareholders' meetings, capital operations and other non-routine operations and in the Management of relations with corporate bodies **are required to:**

- to ensure the smooth functioning of the corporate bodies, ensuring and facilitating the free and proper formation of the shareholders' will;
- ensuring compliance with the rules on segregation of tasks between those involved in asset management;
- adopt specific measures to ensure that the organisation of the Shareholders' Meeting, the work of the Shareholders' Meeting and the post-shareholders' Meeting obligations are implemented in accordance with the provisions of the current legislation on shareholders' compliance;
- prepare the documents relating to the resolutions of the Shareholders' Meeting and the convocation of the company bodies in a clear and precise manner;
- ensure that administrative and accounting requirements relating to capital transactions and other non-routine operations are managed with the utmost diligence and professionalism, avoiding situations of conflict of interest;
- observe all the rules laid down by law to protect the integrity and effectiveness of the share capital, in order not to affect the guarantees of creditors and third parties in general;
- ensure that the exclusive power to decide on the completion of transactions such as (for example): purchases, disposals, mergers, investments, divestments or commitments in general by the Bank and the Companies, directly or indirectly, subsidiaries of strategic importance, both within the competence - within the limits provided for by the Statute - of the Board of Directors;
- to ensure the smooth functioning of the company bodies by allowing all internal control;
- maintain the utmost diligence, professionalism, transparency, collaboration and availability in the management of relations with the Board of Statutory Auditors and the Company of Statutory Auditors and ensure full respect for the role of the same;
- make available data and documents requested by the control bodies in a timely manner and in a clear, objective and exhaustive language in order to provide accurate, complete, faithful and truthful information.

With reference to extraordinary finance transactions (typically referring to bond issuance, borrowing and lending, underwriting and share capital increases, granting of guarantees and sureties, granting of loans and underwriting of bonds, acquisitions of branches of companies or shareholdings, other extraordinary transactions such as mergers, divisions, contributions) the parties involved must ensure: that the competent entity, be it the Board of Directors or other formally delegated person, have adequate information support to enable them to make an informed decision.

The delegated function is required, for each extraordinary finance transaction to be resolved, to prepare the appropriate documentation to assess its feasibility and the strategic and economic advantage, including, where applicable:

- qualitative-quantitative description of the target (feasibility study, financial analysis, studies and statistics on the reference market, comparisons between different options for carrying out the transaction);
- characteristics and subjects involved in the transaction, including through compliance analysis;
- technical structure, main collateral and collateral arrangements and financial coverage of the operation;
- how to determine the economic conditions of the transaction and indication of any external consultants/intermediaries/advisors involved;
- the impact on the prospective economic, financial and capital situation;
- assessments of the adequacy and the relevance of the transaction to be resolved.

In the context of conduct, it is forbidden to carry out, at meetings, simulated or fraudulent acts aimed at altering the regular process of formation of the shareholders' will. In addition, it is prohibited to:

- return contributions to shareholders or release them from the obligation to execute them outside the cases of legitimate reduction of share capital;
- allocate profits or advances on profits not actually earned or allocated by law to reserves, or allocate reserves, even if not constituted with profits, that cannot be distributed by law;
- buy or subscribe - outside the cases provided for by law - own shares, subsidiaries, with damage to the integrity of the share capital or reserves not distributable by law;
- make reductions in share capital, mergers and divisions with other companies, in violation of the provisions of the Law to protect creditors, causing damage to the latter;
- proceed to fictitious formation or increase of share capital by: (i) allocation of shares or units exceeding the total amount of share capital, (ii) reciprocal subscription of shares or units, (iii) significant overvaluation of the contributions of assets in kind or of claims or of the Bank's assets in the event of conversion;
- divert social assets between the members when the Bank is wound up before the payment of the social creditors or the provision of the sums necessary to satisfy them, causing damage to those creditors;
- to behave in a misleading manner that could lead the Board of Statutory Auditors or the Company of Statutory Auditors to make a mistake in the technical-economic evaluation of the documentation submitted;
- produce incomplete documents and false or altered data.

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The following are the main examples of crimes with reference to the following Sensitive Process:

- *Management of administrative obligations, relations with the Supervisory Authorities and related inspection activities.*

The management of administrative obligations, relations with the Supervisory Authorities and related inspection activities could present risk profiles in relation to the offence of impeding the exercise of the functions of public supervisory authorities in the event that, for example, the directors of the Company, when communicating to the public supervisory authorities to which they are required by law, exposed material facts that do not correspond to the truth in order to hinder their activity.

The management of reports, communications and the provision of documentation required by the Supervisory Authorities (Bank of Italy, CONSOB), also following inspections, could present risk profiles in relation to the commission of the offence of obstructing the exercise of the functions of the Public Supervisory Authorities in the event that, for example, an apical or subordinate entity of the Bank delivers incorrect data, or withheld information that should be reported to the Authority.

For the specific behavioural principles in relation to the aforementioned sensitive area, please refer to the provisions in "Sensitive Processes in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model.

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Specific principles of conduct relating to private corruption offences

The following are the main examples of crimes with reference to the following Sensitive Processes:

- *Managing customer relationships;*
- *Management of remarketing activities;*

The management of customer relationships and the management of remarketing activities could present risk profiles in relation to the crime of corruption between individuals in the event that a subject subject or top of the Company offers or promises money or other utility to the responsible for the purchasing department of a customer company in order to obtain the conclusion of a contract for the supply of a product or service at a price higher than the market or at conditions particularly unfavourable to the standards normally in use.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following Sensitive Process:

- *Management of litigation and relations with the Judicial Authority and management of settlement agreements.*

The management of settlement agreements could present risk profiles in relation to the crime of corruption between individuals where a company member (or even a consultant, such as a lawyer) bribes the legal representative or defender of the other party (for example, a limited

liability company) in order to obtain the resolution of the dispute in its favour (for example, by waiving the dispute by the other party or by reaching the settlement agreement out of court on more advantageous terms).

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following Instrumental Process:

- *Management of purchases of goods and services (including advice).*

The management of purchases of goods and services (including consultancy) could present risk profiles in relation to the crime of corruption between private individuals in the event that, for example, a apical or subordinate subject of the Company delivers money or other utility (e.g.: freebies, hires, etc.) the person in charge of the purchasing office of a supplier company in order to obtain the supply of a good or a service at a price lower than the market price or at conditions particularly favourable to the standards normally in use.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following Instrumental Process:

- *Selection and management of business partners.*

The selection and management of business partners could present risk profiles in relation to corruption offences where, For example, a subject subject or top-up of the Company enters into fictitious contracts or contracts at deliberately inappropriate values with partners in order to constitute provisions to be used for corruptive purposes.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following activity:

- *Personnel management and reward system.*

Personnel management could present risk profiles in relation to the crime of corruption between private individuals in the event that, For example, a top-level or subordinate of the Company hires an employee of a competing company in exchange for information useful to the same Company (trade secrets, etc.).

The management of the reward system could present risk profiles in relation to the crime of corruption, in the event that the Company provides a resource with prizes/incentives in money deliberately not proportionate to its role/competences, in order to equip the employee with a provision to perform corruptive actions.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following activity:

- *Management of cost statements and representation costs.*

The management of expenses notes could present risk profiles in relation to corruption crimes between private individuals, in the event that the Company, in order to equip employees with provisions to be used for corruptive purposes, reimburse fictitious expenses or expenses outside the normal activity of the employee.

The management of representation expenses could present risk profiles in relation to corruption offences, in the event that, for example, a top-level or subordinate entity of the Company, in order to bribe a private counterparty, used sums then accounted for as representation expenses.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of crimes with reference to the following Instrumental Processes:

- *Management of cash flows;*
- *Management and valuation of customer loans;*
- *Management of intercompany relationships.*

The opaque management of financial resources could present risk profiles in relation to corruption crimes between private individuals in the event that, for example, the Company is allowed to set aside funds for corruptive purposes.

The management and evaluation of claims against customers could present risk profiles in relation to the crime of corruption between individuals in the event that, for example, a subject subject or apical of the Company authorizes a change to loss of credits, even in the absence of the requirements, in order to grant a benefit to the counterparty and create a provision to be used for corruptive purposes.

The management of intercompany relationships could present risk profiles in relation to the crime of corruption between individuals in the event that the Company used financial resources in transactions with Group companies in order to create provisions to be used for purposes corruptive.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

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The following are the main examples of offences with reference to the following activities:

- *Gift management, gifts, events and sponsorships;*
- *Management of internal and external communication (investors, advertising, etc.).*

The management of giveaways, donations, events and sponsorships could present risk profiles in relation to the crime of corruption in the event that an apical or subordinate entity of the Company grants significant donations to private counterparties, in order to commit bribes and obtain illicit benefits.

Management of internal and external communication (investors, advertising, etc.) may present risk profiles in relation to corruption offences in the event that an apical or subordinate subject of the Company uses the availability allocated for the management of communication and marketing activities for corruptive purposes to obtain benefits illicit, in favour of the Company, by public or private counterparties.

Please refer, as applicable, to the principles of conduct provided in the "Sensitive Processes/ Instrumental in the field of crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model.

2.7 Sensitive Processes in Market Abuse and Administrative Offences

The main Sensitive Processes that the Company has identified internally in relation to the offences referred to in art. 25-sexies of D.Lgs. 231/01 and art. 187-quinquies of the T.U.F. are as follows:

- • *Management of internal and external communication (investors, advertising, etc.).*

The Functions / Corporate Management involved in the Sensitive Process listed above and falling within the specific Crime Family are identified in Annex C to this Model. Annex C also contains internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these activities takes place in full compliance with:

- current laws and regulations;

- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in behaviours or contribute to the realization of conduct that may fall within the cases referred to in art. 25-sexies of D.lgs. 231/2001 and art. 187-quinquies of the T.U.F. mentioned above.

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The following are the main examples of crimes with reference to the following Sensitive Process:

- Management of internal and external communication (investors, advertising, etc.).

The management of internal and external communication (investors, advertising, etc.) could present risk profiles in relation to the crime of insider dealing and market manipulation in the event that, for example, a person subject to or at the top of the Company who is in possession of inside information by reason of his business activity buys, sells or carries out other transactions, directly or indirectly, on behalf of itself or of third parties on financial instruments using the information itself.

To the Recipients as defined above that, for the reason of their assignment or their function or mandate, are involved in the management of internal and external communication **is required to**:

- ensure that the processing of Inside Information is carried out in accordance with the relevant internal procedures of the Company or the Group;
- ensure compliance with the principle of segregation of roles in the context of Privileged Information management and external communications management activities, in line with the Company's delegation system;
- ensure the confidentiality of information through appropriate confidentiality measures to ensure the organisational, physical and logical security of the information;
- ensure the completeness and completeness of the list of persons having access to Inside Information;
- transmit the list of persons with access to Inside Information to the competent Authorities at their specific request.

In the context of the aforementioned conduct **it is prohibited to:**

- use Inside Information depending on your position within the Group or for the fact that you are in business with the Group, to trade, directly or indirectly, financial instruments of a Group company, client or competitor companies, or other companies for their personal benefit, as well as to favour third parties or the company or other companies of the Group;
- disclose Inside Information relating to the Group to third parties, except where such disclosure is required by law, other regulatory provisions or specific contractual

arrangements by which counterparties have undertaken in writing to use such information exclusively for the purposes for which it is transmitted and to maintain the confidentiality of the information;

- participate in discussion groups or chatrooms on the Internet about listed or unlisted financial instruments or issuers and in which there is an exchange of information concerning the Group, its companies, competing companies or publicly traded companies or financial instruments issued by those entities, unless the meetings are institutional meetings for which a verification of legality has already been carried out by the competent functions or there is an exchange of information whose non-privileged nature is evident;
- leave documentation containing Inside Information in places where it could easily be accessed by persons who are not authorised, in accordance with company procedures, to know such information;
- disseminate misleading information about market communications in the event of securities being issued.

Reference is also made to the principles of conduct set out in the "Sensitive Trials in the field of corporate crimes (including private corruption)" of this Model.

2.8 Sensitive Trials in the field of crimes of manslaughter and serious or very serious involuntary injuries, committed with violation of safety and health and hygiene at work

The main Sensitive Processes that the Company has identified internally in relation to the offences referred to in art. 25-septies of D.Lgs. 231/01 are the following:

- *Management of purchases of goods and services (including advice); (Annex C, Sheet 19)*
- *Selection and management of business partners (Annex C, Sheet 02);*
- *Management of the prevention and protection system for health and safety at work. (Annex C, Sheet 10).*

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific crime family are identified in Annex C to this Model. Annex C also contains internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these activities takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;

- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in conduct or to contribute to the realization of conduct that may fall within the circumstances referred to in art. 25-septies of D.lgs. 231/2001 mentioned above.

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The following are the main examples of crimes with reference to the following activity:

- *Management of the prevention and protection system for health and safety at work.*

The management of the system of prevention and protection of health and safety in the workplace could present risk profiles in relation to the crimes of manslaughter and serious and serious personal injury committed with violation of health protection rules and safety at the workplace where, For example, the Company - in order to achieve cost savings - did not observe the rules to protect the health and safety of workers and caused a personal injury to a worker.

With regard to crimes committed in violation of the rules on the protection of health and safety at work and environmental crimes, the Company has set up an internal control system for the protection of safety in the workplace, in order to prevent possible breaches of the relevant legislation and to ensure the necessary technical expertise and powers for the verification, assessment and management of risk, by establishing an appropriate organisational structure, internal rules and procedures and with constant process monitoring.

In particular, the Company has its own organizational structure with specific health and safety tasks and responsibilities, formally defined in accordance with the organizational and functional scheme of the company, starting from the Employer, to the individual worker, with particular regard to the specific figures working in this field (RSPP - Head of Prevention and Protection Service, MC - Competent Doctor, RLS - Safety Worker Representative, ASPP - Prevention and Protection Service Personnel, Emergency Teams, First Aid and Fire Fighting, Emergency Services).

In this way, the Company has provided its own articulation of functions to ensure the protection of the interests protected through the cooperation of several subjects that, on the basis of the enhancement of the necessary differentiated skills, They divide the work by sharing the tasks.

With reference to the above activity, the specific principles of behaviour are set out below.

Procedures/provisions

- the Company must issue procedures/provisions to formally define the safety tasks and responsibilities;
- the Company must monitor occupational accidents and regulate the activity of communication to INAIL in accordance with the legal provisions;
- the Company must monitor occupational diseases and regulate the communication of the relevant data to the National Register for Occupational Diseases established in the INAIL Database;

- the Company must adopt an internal procedure/arrangement for the organisation of preventive and periodic health inspections;
- the Company must adopt an internal procedure/arrangement for the management of first aid, emergency, evacuation and fire prevention;
- the Company must adopt procedures/provisions for the administrative management of accident and occupational disease practices.

Requirements and competences

- The Head of the Prevention and Protection Service, the competent doctor, the subjects in charge of first aid, the subjects assigned to the Prevention and Protection Service and the Persons in charge must be formally appointed;
- the actors responsible for monitoring the implementation of the maintenance-improvement measures should be identified;
- the doctor must be in possession of one of the titles ex art. 38 D.Lgs. 81/2008 and precisely:
- specialization in occupational medicine or preventive workers' and psychotechnical medicine; or
- teaching in occupational medicine or preventive workers' medicine and psychotechnical medicine or industrial toxicology or industrial hygiene or occupational physiology and hygiene or work clinic; or
- the authorisation referred to in Article 55 of Legislative Decree no. 277 of 15 August 1991;
- specialization in hygiene and preventive medicine or in forensic medicine and proven attendance of appropriate university training courses or proven experience for those who carried out on 20 August 2009 the activities of competent doctor or had carried out them for at least one year over the previous three years.
- The Head of the Prevention and Protection Service must have skills and professional requirements in the field of prevention and safety and, precisely:
- hold an upper secondary education qualification;
- have taken part in specific training courses adapted to the nature of the risks present in the workplace;
- have obtained a certificate of attendance of specific training courses on risk prevention and protection;
- have attended refresher courses.
- The competent doctor must participate in the organisation of environmental monitoring and receive a copy of the results.

Information

- The Company must provide adequate information to employees and new employees (including temporary workers, interns and co.co.pro.) about the specific risks of the company, the consequences thereof and the preventive and protective measures taken;

- evidence must be given of the information provided for the management of first aid, emergency, evacuation and fire prevention and any meetings must be recorded;
- employees and new recruits (including temporary workers, interns and co.co.pro.) must receive information on the appointment of the R.S.P. (Head of the Prevention and Protection Service), on the competent doctor and on those assigned to the specific tasks for first aid, rescue, evacuation and fire prevention;
- information and instruction on the use of work equipment made available to employees must be formally documented;
- the Prevention and Protection Service Manager and/or the competent doctor must be involved in the definition of the information programs;
- the Company must organise regular meetings between the functions responsible for occupational safety;
- The Company must involve the Safety Workers' Representative in the organization of risk detection and assessment activities, in the appointment of fire prevention, first aid and evacuation personnel.

Training

- The Company must provide adequate training to all employees in occupational safety;
- The Head of the Prevention and Protection Service and/or the competent doctor must be involved in drawing up the training plan;
- the training provided must include assessment questionnaires;
- the training must be appropriate to the risks of the job assigned to the worker;
- a specific training plan must be drawn up for workers exposed to serious and immediate risks;
- workers who change jobs and those transferred must be provided with prior, additional and specific training for the new job;
- the employer, managers and supervisors receive appropriate and specific training and periodic updating in relation to their occupational health and safety tasks;
- persons assigned to specific prevention and protection tasks (fire prevention, evacuation, first aid) must receive specific training;
- the Company must carry out periodic evacuation exercises of which evidence must be given (record of the exercise with reference to participants, performance and results).

Registers and other documents

- The accident register must always be kept up to date and fully completed;
- exposure to carcinogens or mutagens must be recorded;
- documentary evidence of joint visits to workplaces between the Head of the Prevention and Protection Service and the competent doctor must be provided;
- the Company must keep a record of safety and health requirements at work;

- the risk assessment document may also be kept in computerised form and must be dated or attested by the signature of the document by the employer, and for the sole purpose of proving the date, the signature of the Head of the Prevention and Protection Service, the SGM or the representative of workers for territorial security and the competent doctor;
- the risk assessment document must indicate the criteria for the instruments and methods used to carry out the risk assessment. The choice of criteria for the drafting of the document is left to the Employer, who provides it with criteria of simplicity, brevity and comprehensibility, in order to ensure its completeness and suitability as an operational tool for planning company interventions and prevention;
- the risk assessment document must contain the programme of the maintenance and improvement measures.

Meetings

The Company must organize periodic meetings between the functions in charge, which are allowed to participate in the Supervisory Body, by formal convocation of the meetings and the minutes signed by the participants.

Duties of Employer and Manager

- Organize the prevention and protection service - theR.S.P.P. (Head of the Prevention and Protection Service) and the employees - and appoint the competent doctor;
- assess - also in the choice of work equipment, chemical substances or preparations used, and in the design of workplaces - all risks to the health and safety of workers, including those concerning groups of workers exposed to particular risks, including those related to work-related stress, and those related to gender differences, age, origin from other countries and the specific type of contract through which the work is performed;
- adapting work to man, in particular as regards the design of workplaces and the choice of equipment and working methods, in particular to reduce monotonous work and repetitive work and to reduce the health effects of such work;
- draw up a document (to be kept at the holding or production unit) containing:
- a report on the assessment of risks to safety and health at work, specifying the criteria adopted for the assessment;
- identification of prevention and protection measures and personal protective equipment, following the assessment in the first point;
- the programme of measures deemed appropriate to ensure that safety levels are improved over time. The evaluation and drafting of the document must be carried out in collaboration with the Head of the Prevention and Protection Service and with the competent doctor after consulting the safety representative, and shall be carried out again on the occasion of significant changes in the production process for the safety and health of workers, in relation to the degree of development of the technique or as a result of significant accidents or when the results of health surveillance show that this is

necessary. In such cases, the risk assessment document shall be revised within 30 days of the reasons for the change;

- take the necessary measures for the safety and health of workers, in particular:
- appointing in advance the workers responsible for the implementation of fire prevention and fire fighting measures, the evacuation of workers in the event of serious and immediate danger, rescue, first aid and, in any case, emergency management;
- identifying the person in charge or persons in charge of carrying out the supervisory activities referred to in art. 19 of Legislative Decree no. 81/2008;
- updating prevention measures in relation to organisational and production changes of relevance to occupational health and safety, or in relation to the degree of evolution of prevention and protection technology;
- taking into account the ability and condition of workers in relation to their health and safety, in entrusting them with the related tasks;
- providing workers with the necessary and appropriate personal protective equipment, in agreement with the Head of the Prevention and Protection Service;
- taking appropriate measures to ensure that only workers who have received appropriate instructions have access to areas which expose them to a serious and specific risk;
- requiring individual workers to comply with the rules in force and with the company's provisions on safety and health at work and the use of collective means of protection and the personal protective equipment made available to them;
- by sending workers to the medical examination within the time limits laid down in the health surveillance programme and by requiring the competent doctor to comply with the obligations laid down by the rules on occupational safety, informing it of the processes and risks associated with the production activity;
- taking measures to control emergency risk situations and giving instructions that workers, in the event of a serious, immediate and unavoidable danger, shall leave the workplace or danger zone;
- informing workers exposed to serious and immediate risks of the risks themselves and the safety specifications adopted;
- refraining, except where duly justified, from requiring workers to resume their activity in a work situation in which a serious and immediate danger persists;
- allowing workers to verify, through the safety representative, the application of safety and health protection measures and allowing the safety representative to have access to company information and documentation relating to risk assessment, related prevention measures, as well as those relating to dangerous substances and preparations, machinery, plant, organization and working environments, occupational accidents and diseases;
- taking appropriate measures to prevent the technical measures taken from causing risks to the health of the population or deteriorating the external environment;
- monitoring of accidents at work leading to absence from work of at least one day and occupational diseases and keeping evidence of the data collected, of which the prevention and protection service and the competent doctor must also be informed;

- consulting the safety representative on: risk assessment, identification, planning, implementation and verification of prevention in the Company; the appointment of personnel to the prevention service, fire prevention activity, first aid, the evacuation of workers; the organization of training of workers in charge of emergency management;
- taking the measures necessary for the prevention of fire and the evacuation of workers, as well as for the event of serious and immediate danger. These measures must be adapted to the nature of the activity, the size of the holding or production unit and the number of persons present;
- agree with the competent doctor, at the time of appointment, on the place of custody of the health record and the risk of the worker under health surveillance, to be kept under professional secrecy; a copy of the health and risk record must be given to the worker at the time of termination of the employment relationship, providing him with the necessary information relating to the preservation of the original. Each worker concerned shall be informed of the results of the health surveillance and, upon request, be provided with a copy of the health record.

Duties of Workers

- Observe the instructions and instructions given by the employer, managers and supervisors for collective and individual protection;
- correct use of dangerous machinery, equipment, tools, substances and preparations, means of transport and other work equipment and safety devices;
- make appropriate use of the protective devices made available to them;
- report immediately to the employer, the manager or person in charge of the deficiencies in the means and devices referred to in the previous points and any other dangerous conditions they become aware of, and make direct use of them, in cases of urgency, within the scope of their competence and possibilities, to eliminate or reduce such deficiencies or hazards by informing the safety worker's representative;
- not to remove or modify safety or signalling or control devices without permission;
- not carry out on their own initiative operations or manoeuvres which are not within their competence or which could compromise the safety of themselves or of other workers;
- undergo the health checks provided for them;
- contribute, together with the employer, managers and supervisors, to the fulfilment of all obligations imposed by the competent authority or otherwise necessary to protect the safety and health of workers at work.

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The following are the main examples of offences with reference to the following activities:

- *Management of purchases of goods and services (including advice).*

The management of purchases of goods and services (including advice) could present risk profiles in relation to the offences of negligent injury committed in violation of the rules on the

protection of safety at work in the event that, For example, failure to comply with legal obligations relating to organisational activities (such as the management of contracts) would result in injury to a worker.

With reference to the activity described, the specific principles of behaviour are indicated below.

Relations with contractors

The Company must prepare and keep up to date the list of companies operating within its sites with a contract.

The methods of management and coordination of the works in the contract must be formalized in written contracts in which there are express references to the obligations referred to in art. 26 D.Lgs. 81/2008, including, for the employer:

- verify the technical and professional suitability of the contractors in relation to the works to be contracted, including through registration with the chamber of commerce, industry and crafts;
- provide detailed information to contractors on the specific risks existing in the environment in which they are to operate and on the prevention and emergency measures taken in relation to their activities;
- cooperate in the implementation of measures to prevent and protect workers from occupational risks accidents and incidents in the work covered by the contract and coordinate measures to protect and prevent workers from being exposed;
- take measures to eliminate the risks due to interference between the work of the different companies involved in the execution of the overall work.

Except in the case of intellectual services, mere supplies of materials or equipment, as well as works or services whose duration does not exceed two days - provided that they do not involve risks indicated in art. 26 paragraph 3- bis of D.Lgs. 81/08 - the employer disposes/organizes the joint risk assessment with the contracting companies. The contracting employer and the contractor must draw up a single risk assessment document (DUVRI) setting out the measures taken to eliminate interference. This document shall be attached to the contract or works contract and shall be adapted to take account of developments in works, services and supplies.

In procurement, procurement and subcontracting contracts, the costs relating to safety at work (which are not subject to price reductions) must be specifically indicated. Such data may be accessed on request by the workers' representative and the workers' unions.

The management of safety requirements in the case of subcontracting must be clearly defined in the contract.

The contractor shall be jointly and severally liable to the contractor as well as to any additional subcontractors for all damages for which the worker, whether employed by the contractor or the subcontractor, is not compensated by the National Institute for Occupational Accident Insurance.

In carrying out activities under contract or subcontracting, the contracting employer shall require the employer, contractors or subcontractors, to expressly indicate the staff performing the function of supervisor).

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The following are the main examples of offences with reference to the following activities:

- *Selection and management of business partners.*

The selection and management of business partners could present risk profiles in relation to occupational health and safety offences where, for example, in order to achieve economic savings, the Company selected business partners that do not comply with the relevant regulations.

For the principles of conduct relating to the "Selection and management of business partners", please refer to the provisions in "Sensitive Trials in crimes against the Public Administration and caused by the inducement not to make statements or to make false statements to the Judicial Authority" of this Model.

2.9 Sensitive processes in the field of environmental crimes

The main Sensitive Processes that the Company has identified internally in relation to the offences referred to in art. 25-undecies of D.Lgs. 231/01 are the following:

- *Management of environmental impact activities (Annex C, Sheet 21);*
- *Management of purchases of goods and services (including advice). (Annex C, Sheet 19).*

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are identified in Annex C to this Model. Annex C also contains internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these processes takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in behaviours or contribute to the realization of conduct that may fall within the cases referred to in art. 25-undecies of D.lgs. 231/2001 cited above.

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The following are the main examples of offences with reference to the following activities:

- *Management of environmental impact activities;*
- *Management of purchases of goods and services (including consultancy).*

The management of environmental impact activities could present risk profiles in relation to the configuration of environmental crimes, where, for example, in order to obtain economic benefits, the Company does not equip itself with all the necessary tools to cope with environmental risks.

The management of purchases of goods and services (including consultancy) could present risk profiles in relation to the commission of environmental crimes in the event that, for example, a subordinate or top-level entity of the Company enters into contracts with carriers, Unqualified and/or unskilled disposers or intermediaries without the necessary legal authorisation, in order to obtain economic savings for the Company.

The Addressees as defined above who, by reason of their assignment or function, are involved in the aforementioned process are obliged to:

- to keep up-to-date with and comply with existing legislation;
- identify the nature and characteristics of the waste and allocate the correct classification in order to define the correct methods of disposal, according to legal provisions;
- conclude contracts with suppliers responsible for the collection and disposal of waste with the appropriate authorizations and selected in compliance with what is regulated in the section "Management of purchases of goods and services (including advice)" of "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority". Specifically, these contracts must contain clauses specifying:
  - the undertaking concerned declares that it complies with the principles set out in Legislative Decree no. 231/2001 and that it complies with the principles of the Code of Conduct adopted by the Company;
  - that the undertaking concerned declares that it is in possession of the authorisations required by law to carry out its activities;
  - that the veracity of the aforementioned declarations could be cause for the termination of this contract pursuant to art. 1456 c.c..
- ensure the compilation of the mandatory documentation, where required
- (registers/forms) ;
- In the context of the aforementioned conduct it is prohibited to:
- to dispose of waste in unauthorised or unauthorised landfills according to the type of waste;
- use waste collection, transport and disposal suppliers who do not have a permit;
- spill dangerous substances in aprons, manholes, etc. , generating soil pollution /subsoil;
- deposit or abandon waste;

- setting fire to waste abandoned or deposited uncontrolled.

2.10 Sensitive Trials in the field of crimes against individual personality and crimes in the field of illegal immigration

The main Sensitive Processes that the Company has identified internally in relation to the crimes referred to in art. 25-quinquies and 25-duodecies of D.Lgs. 231/01 are as follows:

- *Management of purchases of goods and services (including advice); (Annex C, Sheet 19)*
- *Selection and management of business partners; (Annex C, Sheet 2)*
- *Personnel management and reward system; (Annex C, Sheet 11)*

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are identified in Annex C to this Model. Annex C also contains internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the conduct of the aforementioned process takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In general, it is forbidden to engage in conduct or to contribute to the realization of conduct that may fall within the circumstances referred to in art. 25-quinquies and 25-duodecies of D.lgs. 231/2001 recalled above.

***

The following are the main examples of crimes with reference to the following activity:

- Personnel management and reward system.

Personnel management could present risk profiles in relation to the employment offence of third-country nationals whose residence is irregular in the event that, for example, the Company employs foreign workers without a residence permit.

Personnel management could present risk profiles in relation to the crime of illicit brokerage and labour exploitation in case, for example, the Company paid its employees a salary disproportionate to the quantity and quality of the work performed or repeatedly infringed the rules on working time, rest periods, weekly rest periods, to compulsory leave, to leave.

To the Addressees as defined above that, by reason of their assignment or their function or specific mandate, they are involved in the management of the above mentioned activity, in addition to the

"Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model, **is made an obligation to:**

- ensuring compliance with the rules on working time, rest periods, weekly rest, compulsory leave and holidays;
- ensure that, at the recruitment stage, HR collects from the applicant a copy of the regular residence permit, the expiry of which it verifies in order to monitor its validity during the remainder of the employment relationship;
- equip the Company with computer tools that prevent access to and/or reception of material relating to child pornography;
- periodically and unequivocally call their employees to a correct use of the computer tools in their possession.

In the context of the aforementioned conduct **it is prohibited to:**

- employ non-EU employees who are not in compliance with the requirements of the law to stay and work within the national territory.

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The following are the main examples of offences with reference to the following activities:

- *Management of purchases of goods and services (including advice);*
- *Selection and management of business partners.*

The management of purchases of goods and services (including advice) could present potential risk profiles in relation to the employment offence of third-country nationals whose residence is irregular in the event that, for example, the Company, as part of a contract, to suppliers employing third-country nationals without a residence permit.
The management of purchases of goods and services (including consultancy) could present profiles relating to crimes against individual personality where, for example, the Company, as part of a contract, addresses suppliers who do not comply with the working conditions laid down in the legislation.
The selection and management of business partners could present risk profiles in relation to the crime of employment of third-country nationals whose residence is irregular in the event that, for

example, the Company, as part of a contract, third parties who employ workers who are third-country nationals without a residence permit or who do not comply with the working conditions laid down in the legislation.
The selection and management of business partners could present risk profiles in relation to crimes against individual personality in case, for example, the Company would turn to business partners who do not comply with the working conditions laid down in the legislation.
To the Addressees as defined above that, by reason of their assignment or their function or specific mandate, they are involved in the management of the above mentioned activities, in addition to the "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model, **is made an obligation to:**

- to ensure the existence of documentation attesting to the proper conduct of the selection and recruitment procedures;
- ensure that the compliance with the regulatory requirements of regularity of the counterparty is verified through the delivery of the documentation required by law (e.g., Single Document of Contributory Regularity - DURC);

For further behavioural principles related to "Management of purchases of goods and services (including consultancy)" as well as "Selection and management of business partners", please refer to the provisions in "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model.

2.11 Sensitive processes in the field of transnational crimes

The main Sensitive Processes that the Company has identified internally in relation to certain transnational crimes provided for by art. 10 of Law 146/06 are the following:

- *Customer relations management; (Annex C, Sheet 14)*
- *Management of purchases of goods and services (including advice); (Annex C, Sheet 19)*
- *Selection and management of business partners; (Annex C, Sheet 02)*
- *Management of cash flows; (Annex C, Sheet 15)*
- *Management of intercompany reports; (Annex C, Sheet 01)*
- *Gift management, donations, events and sponsorships; (Annex C, Sheet 16)*
- *Management of remarketing activities; (Annex C, Sheet 06)*
- *Litigation management and relations with the Judicial Authority and management of settlement agreements; (Annex C, Sheet 12)*
- *Personnel management and reward system. (Annex C, Sheet 11)*

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are identified in Annex C to this Model. Annex C also contains internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular to the Functions / Company Management involved in Sensitive Processes and listed in Annex C. In addition to the paragraph "General Control Environment"at the beginning of this Section, it is mandatory to ensure that the conduct of such processes takes place in full compliance with:

• current laws and regulations;

• Group and company policies and procedures;

• principles of loyalty, fairness and clarity;

• Code of Conduct.

In general, it is forbidden to engage in behaviours or contribute to the realization of conduct that may fall within the cases referred to in art. 10 of Law 146/06 referred to above.

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For specific conduct principles in relation to:

- Management of customer relations;
- Management of purchases of goods and services (including advice);
- Selection and management of business partners;
- Management of cash flows;
- Management of intercompany relationships;
- Gift management, donations, events and sponsorships;
- Management of remarketing activities;
- Management of development activities.

refers to the provisions in the "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority" of this Model.

2.12 Sensitive Processes in the field of tax crimes

The main Sensitive Processes that the Company has identified internally in relation to the tax offences referred to in art. 25- quinquiesdecies of D.Lgs. 231/01 are the following:

- *Customer relations management; (Annex C, Sheet 14)*
- *Management and valuation of claims on customers; (Annex C, Sheet 03)*
- *Management of purchases of goods and services (including advice); (Annex C, Sheet 19)*
- *Selection and management of business partners; (Annex C, Sheet 02)*
- *Accounting, budgeting and tax management (Annex C, Sheet 08)*
- *Management of intercompany reports; (Annex C, Sheet 01)*
- *Management of shareholders' meetings, capital transactions and other non-routine operations; (Annex C, Sheet 17)*
- *Management of internal and external communication (investors, advertising, etc.); (Annex C, Sheet 09)*
- *Management of remarketing activities; (Annex C, Sheet 06)*
- *Personnel management and reward system; (Annex C, Sheet 11)*
- *Management of expenditure notes and representation expenses; (Annex C, Sheet 04)*
- *Management of gifts, sponsorships and donations. (Annex C, Sheet 16)*

The Functions / Corporate Management involved in the Sensitive Processes listed above and falling within the specific Crime Family are reported in Annex C to this Model. Annex C also indicates the internal processes and related business procedures.

Specific principles of conduct

The following Principles are generally applicable to all Recipients, and in particular, to the Functions / Company Management involved in Sensitive Processes and listed in Annex C.

In addition to the paragraph "General Control Environment", at the beginning of this section, it is mandatory to ensure that the performance of these processes takes place in full compliance with:

- current laws and regulations;
- Group and company policies and procedures;
- principles of loyalty, fairness and clarity;
- Code of Conduct.

In order to manage the risks of tax compliance and to ensure compliance with tax rules, the Group has a special procedure for managing tax compliance that:

- defines the guidelines of the organisational and operational model for the management of tax obligations;

- indicates the roles and responsibilities of the organisational units involved in carrying out the operational activities;
- identify the first-level checks to be carried out, as well as the time frames and evidence to be stored by each process owner.

In general, it is forbidden to engage in behaviours or contribute to the realization of conduct that may fall within the cases referred to in art. 25quinquiesdecies of D.lgs. 231/2001 referred to above.

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The following are the main examples of the crimes with reference to the following processes:

- Managing customer relationships;
- Management of remarketing activities;
- Management and valuation of customer loans.

The management of business relationships with customers could present risk profiles in relation to the configuration of tax crimes in the event that, For example, the Company issues fictitious credit notes in order to evade income and value added tax.

The management of business relationships could present risk profiles in relation to the configuration of the crime of issuing invoices or other documents for non-existent transactions in the event that, for example, were issued or issued invoices to third parties to enable them to evade income tax or value added tax, in the face of factual fictitious sales or not performed in whole or in part.

The management of remarketing activities could present risk profiles in relation to the crime of fraudulent declaration through the use of invoices or other documents for non-existent transactions in the event that, for example, a top-level or subordinate entity of the Company enters into sales contracts for used vehicles as part of non-existent transactions.

The management of remarketing activities could present risk profiles in relation to the configuration of tax crimes in the event that, for example, the Company issues invoices for non-existent transactions in order to evade income and value added tax to a third party.

The management and evaluation of credit claims to customers could present risk profiles in relation to the crime of fraudulent declaration by other artifices in the event that, for example, a subject or top of the Company, on the basis of documents representative of a false accounting reality, write down the credit or charge losses on receivables even in the absence of the requirements laid down by the legislator.

In order to identify the principles of conduct in the management of business relations with customers, the management of remarketing activities and the management and evaluation of credits to customers, please refer to the following:

- *"Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and the following are the main principles of behavior:*
  - ensure, where necessary, that relations with customers are managed exclusively by entities with appropriate powers;
  - ensure compliance with all the provisions of the Group's policies and procedures, especially those relating to anti-money laundering, antitrust and conflict of interest;
  - ensure the traceability of all stages of the business process, including the definition of economic conditions, any discounts applied and the duration of the agreements, through the use of the information systems provided;
  - provide for appropriate segregation of tasks and responsibilities in customer management, with particular reference to the definition of economic conditions and payment methods and time frames;
  - to ensure that commercial offers/proposals are defined on the basis of the business procedures;
  - ensure that relations with customers are formalized in special written agreements (offers/business proposals), approved by subjects with special powers;
  - ensure that a preliminary screening is carried out on the new customer, both in terms of compliance, including anti-money laundering, and credit soundness;
  - ensure segregation of functions at all stages relating to the management of customer relations and the management of remarketing activities, including the creation of customer records;
  - ensure that any derogations from the economic conditions, automatically determined through the use of the appropriate system, are authorised in accordance with the system of delegation and procedure;
  - ensure the traceability of all stages of the purchasing process of the selling entities;
  - perform specific credit management verification activities;
  - assessing credit claims on customers through the use of rating systems;
  - ensure that the transfer to loss-making of receivables is made only on the basis of internal, reliable and documented policies and procedures, demonstrating the actual irrecoverability of the credit, consistent with accounting principles and tax law;
  - ensure traceability of all customer documentation;
  - check that the invoice is in order for customers;
  - carry out a specific analysis of complaints received from customers;
  - submit the financing file to the level of signature responsible for the decision;
  - in the event that the services provided to customers are carried out - in whole or in part - with the support of third parties, ensure that the selection of the same is always in compliance with the rules in the section "Selection and management of commercial partners" of this Chapter;

- communicate, without delay, to the company management and at the same time to the Supervisory Body, any critical issues that may arise within the processes under consideration.

- *"Sensitive Processes in the context of crimes of receiving, laundering and use of money, goods or utilities of illicit origin, as well as self-money laundering, crimes of organized crime and crimes for the purpose of terrorism or subversion of democratic order" and below are the main principles of behavior:*

  - identify and know the customers and the subjects on whose behalf the customers operate (c.d. actual owners);
  - identify the legal person's/the owner/the members of the client in accordance with the procedures provided for by the relevant legislation;
  - ensuring the conduct of customer due diligence activities on its counterparties and assigning a consistent risk profile for money laundering and terrorist financing;
  - verify the documentation, data or information obtained;
  - verify the documentation, data or information obtained;
  - verify the correctness and completeness of the personal data and information relating to the economic activity carried out;
  - verify the consistency between the/i subject/i included in the request for funding as owner/i actual/i and what results in the tools;
  - ensure that all documentation relating to customer identification activities as well as periodic checks on customer positions is properly archived by the relevant bodies;

The Recipients as defined above that, for reason of their assignment or their function, are involved in the management of the aforementioned processes, **is also obliged to:**

- ensure that the person receiving the invoice agrees with the contractual partner identified when creating the master data;
- ensure adequate segregation of tasks and responsibilities for all phases relating to the active cycle (management of administrative and accounting obligations relating to invoicing vis-à-vis customers, registration of invoices, management of receipts, etc.);
- perform a consistency check between the recipient of the invoice, identified on the basis of the contractual provisions recorded in the system, and the person who made the payment;
- ensure that receipts are received by bank transfer and that they are always traceable and provable.
- ensure that the transfer to loss of credits is authorised by previously identified entities, in line with the system of proxies and powers of attorney adopted by the Company;
- refrain from carrying out operations, in whole or in part, simulated or otherwise fraudulent.

In the context of the aforementioned conduct **it is prohibited to:**

- enter into contracts with prices and conditions established according to non-objective parameters and/or in violation of the provisions of the company procedures and the relevant legislation;
- issue invoices or other documents relating to transactions which are wholly or partly non-existent;
- accept requests for cash contributions and/or from entities other than those indicated in the accounting documentation.
- authorize the transfer to loss-making without the requirements.

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The following are the main examples of crimes with reference to the following process:

- *Management of purchases of goods and services (including consultancy).*

The management of purchases of goods and services (including advice) could present risk profiles in relation to the configuration of tax offences in the event that, For example, the Company registers invoices relating to the purchase of goods or services in the context of non-existent or partially non-existent transactions.
The management of purchases of goods and services (including consultancy) could present risk profiles for the configuration of the crime of fraudulent declaration through the use of invoices or other documents for non-existent transactions in the event that, for example, were noted in the registers and subsequently indicated in the declarations ires/irpef or vat - in order to evade value added tax and income tax - invoices or other documents for transactions objectively non-existent since never occurred or with indication of amounts higher than the actual value (c.d. overpayment).
The management of purchases of goods and services (including consultancy) could present risk profiles for the configuration of the crime of fraudulent declaration through the use of invoices or other documents for non-existent transactions in the event that, for example, invoices or other documents for transactions actually carried out were recorded in the registers and subsequently indicated in tax returns - in order to evade taxes - and but between subjects different from those indicated in the accounting documentation and that in fact have provided the service (c.d. transactions subjectively non-existent).

In order to identify **the principles of conduct in the management of purchases of goods and services (including advice)**, please refer to the provisions in "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and the following are the main principles of behavior:

- to create a specific supplier register in order to collect and collect all critical and significant information;
- submit suppliers to a qualification process that allows them to verify their financial soundness, commercial, technical-professional and ethical reliability;
- ensure that the selection of suppliers and consultants takes place among the names selected on the basis of criteria identified under internal legislation, without prejudice to occasional needs/supplies
- ensure compliance with the supplier approval process and the contracts, as required by the company procedures;
- ensure adequate segregation of functions within the selection process of a supplier/consultant;
- proceed, according to the company procedures, to the selection of the supplier through the comparison of three offers, except in particular cases that must be duly justified (such as: low value contracts, intra-group agreements, contracts with specific companies, fiduciary relationship established with the consultant or supplier, etc.);
- verify the existence of the specific authorisations of suppliers carrying out activities for which they are required;
- verify, during the qualification phase and periodically, the possible presence of Suppliers in the Black List;
- ensure traceability, including through specific information systems, of the supplier's selection, qualification and evaluation process, through the formalisation and archiving of the relevant supporting documentation, the procedures provided for by the company procedures and the IT tools to support the process;
- ensure that all payments to suppliers are made if properly supported by contract or order, only after validation according to the predefined internal authorization procedure and after checking the compliance of the products with the ordered;
- to ensure that all relations with suppliers or consultants are formalised within special written agreements approved in accordance with the system of proxies and proxies and where the price of the goods or the consideration for the service is clearly defined;
- ensure that contracts concluded with suppliers/consultants provide specifically for: the subject matter of the contract, the agreed fee, the method of payment, ethical and compliance clauses, termination clauses or verification, alternatively, that the contractual conditions proposed by third parties provide for compliance with the principles set out in Legislative Decree no. 231/01, as well as ethical;
- ensure the traceability and subsequent reconstruction of commercial transactions through the formalization and storage, including through specific information systems, of the related supporting documentation;
- ensure the periodic monitoring, through the use of appropriate tools, of the performance of suppliers, and use the results of those assessments for the purpose of their qualification;
- carefully investigate and report to the Supervisory Body:
  - unusually high commission requests;
  - requests for reimbursement of expenses not properly documented or unusual for the operation in question.

The Addressees, as defined above, who, by reason of their assignment or their function or mandate, are involved in the aforementioned activity, are **also obliged to:**

- ensure that the supplier's personal data can be modified only following a predefined process, by subjects previously identified and equipped with the necessary authorization powers regarding the purchase of goods and services;
- ensure specific checks on the supplier's history, as well as the adequacy of its financial structure, personnel and warehouse in relation to the supply activity;
- verify the regularity of payments by reference to the full coincidence of recipients/payers and counterparties actually involved in the transaction, in particular, it must be precisely verified that there is a coincidence between the person to whom the order is made out and the person collecting the relevant sums;
- carry out appropriate checks on the header of suppliers' current accounts and duly justify situations where cash flows are not provided:
  - in the country of residence of the supplier and/or the Company;
  - in the country of delivery.
- monitor the consistency between what has been ordered and what has been received and the compliance of the services performed by consultants and suppliers with the contractual requirements;

In the context of the aforementioned conduct **it is prohibited to:**

- to record invoices or other documents received in the course of non-existent transactions (in whole or in part) and to include them in the tax returns;
- make payments in cash, to bank accounts in cipher or not in the name of the supplier or other than that provided for in the contract;
- making payments in countries other than the supplier's country of residence;
- make payments that are not properly documented and/or unauthorised in accordance with the system of proxies and proxies;
- commit the Company with orders/ verbal contracts or without a clear definition of the good/ service to be received and the price of the good or the service consideration;
- provide services to consultants and suppliers who are not adequately justified in the context of the contractual relationship established with them and pay them compensation that is not adequately justified in relation to the type of task to be performed and the local practices in force;
- make payments to an account other than that indicated in the registry or relating to credit institutions located in tax havens or that do not have physical settlements in any country.

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The following are the main examples of crimes with reference to the following process:

- *Personnel management and reward system.*

The personnel management activity could present risk profiles in relation to the offence of fraudulent declaration by other artifices where, in order to evade income tax, a lower salary was granted to an employee of the Company than that indicated in the certificate entered in the accounts and used to deduct the cost thereof; and Consequently, the legal representative disclosed fictitious liabilities in the tax declaration.
Personnel management could present risk profiles in relation to the configuration of the offence of fraudulent declaration through the use of invoices or other documents for non-existent transactions in the event that, For example, coupons and expense notes referring to non-existent or higher amounts than the real ones were used and, consequently, the legal representative indicated fictitious items in the tax return.

In order to identify the principles of conduct in the area of personnel management and reward system, please refer to the provisions in "Sensitive Trials in crimes against the Public Administration crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and the following are the main principles of behavior:

- recruit staff only and exclusively with a regular employment contract and pay consistent with the Collective Agreement applied;
- ensure the archiving of the periodic salary surveys carried out by the Company;
- ensure that contracts are signed by persons with appropriate powers;
- ensure that the incentive system is consistent with the Group's remuneration policy
- ensure that any incentive schemes correspond to realistic objectives consistent with the tasks, activities and responsibilities entrusted to them;
- ensure the traceability of the incentive process, through the formalisation of the objectives and the related reporting.

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The following is the main example of the offences with reference to the following process:

- *Selection and management of business partners.*

The management of relationships with business partners could present risk profiles in relation to the commission of tax offences in the event that, for example, a apical or subordinate entity, in order to obtain an unlawful tax advantage for the Company, carried out the recording in the accounts of invoices for operations which are wholly or partly non-existent.

In order to identify the principles of conduct in the selection and management of business partners, please refer to the provisions in "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and the following are the main principles of behavior:

- ensure that the process of selecting and qualifying business partners is always carried out in full compliance with the company's procedures;

- ensuring an appropriate due diligence process of any trading partner, including verification of the commercial, professional and good repute of the counterparties;
- verify, during the qualification phase and periodically, the possible presence of the partners in the Black List;
- verify the identity of the counterparty;
- ensure traceability of the selection process;
- respect the principles of transparency, professionalism, reliability, motivation and non-discrimination in the choice of counterparty;
- ensure that the agreed remuneration is in line with normal market conditions and in any event is contractually defined on the basis of objective calculation criteria;
- ensure that the contractual device used contains specific information on the behavioral rules adopted by the Company with reference to Legislative Decree No. 231/2001 and on the consequences that may have, with regard to contractual relationships, conduct contrary to the provisions of the Code of Conduct and the applicable legislation;
- ensure that the conferral of the mandate on the other party is in writing;
- clear the fees in a transparent way, always documentable and traceable ex post. In particular, verify the correspondence between the recipient of the payment and the person who provided the service;
- subject qualified partners to regular audits and audits in accordance with company procedures.

In the context of the aforementioned conduct **it is prohibited to:**

- engage the Company with verbal contracts with the other party;
- issue or accept invoices for non-existent transactions;
- make payments and recognize expenses reimbursements in favour of counterparties, which are not adequately justified in relation to the type of activity carried out, which are not supported by valid tax justifications and which are not shown on the invoice;
- certify receipt of non-existent commercial services;
- create extra-accounting assets against transactions contracted at conditions higher than those of the market or non-existent invoicing in whole or in part.

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The following is the main example of the offences with reference to the following process:

- *Management of cost statements and representation costs.*

For example, the activity of managing expense reports could present risk profiles for the configuration of the crime of fraudulent declaration through the use of documents for non-existent transactions in the event that, in order to evade tax or VAT, notes were issued against costs not incurred (in whole or in part) and, consequently, the legal representative indicated in the tax declaration relating to those notional taxable items.

In order to identify the principles of conduct in the management of expense reports and representation expenses, refers to the provisions in Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and below are the main principles of behavior:

- prepare the expense note in accordance with business procedures, using dedicated company IT tools;
- ensure that reimbursement of expense notes is only made after approval by the entities with appropriate powers, on the basis of a segregated process, and only with regular supporting documents;
- to carry out specific checks and monitoring regarding the use of company credit cards and more generally to the employee's expense notes;
- to ensure compliance with the internal limitations set out in the company's procedures regarding the use of company credit cards and the cost of representation;
- verify that the expenses incurred are inherent in the performance of the work, adequate and adequately documented by the submission of valid tax evidence;
- ensure that the representation costs are not repetitive vis-à-vis the same beneficiary and that full traceability of the participating entities is ensured;
- ensure a process of regular verification of staff expense reports;
- ensure, in the event of abnormal expenditure, that it is not reimbursed;
- communicate, without delay, to its hierarchical manager or the management of the Company and at the same time to the Supervisory Body any conduct aimed at obtaining an unlawful advantage for the Company.

In the context of the aforementioned conduct **it is prohibited to:**

- reimburse expenses which:
  - have not been duly authorised;
  - are not adequately justified in relation to the type of activity carried out;
  - are not supported by valid tax justifications or are not set out in the footnote.

The following is the main example of the offences with reference to the following process:

- Management of intercompany relationships

The management of intercompany reports could, for example, present risk profiles in relation to the offence of fraudulent declaration by using invoices for non-existent transactions in the event that, in order to evade taxes, it would be possible to receive invoices from group companies for services not rendered (in whole or in part) or in the case of the use of invoices whose services are rendered between different subjects than those resulting from the accounting documentation and, consequently, the legal representative should indicate in the tax return notional taxable items.

In order to identify the principles of conduct within the management of intercompany relationships, refers to the provisions in Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and below are the main principles of behavior:

- ensure that intercompany relationships are regulated through specific contracts/agreements governing, inter alia, roles, responsibilities and fees agreed;
- ensure the correct and complete preparation, in line with the provisions of the applicable legislation, of the documentation on transfer pricing, suitable to certify compliance with the "normal value" of transfer prices applied in intra-group transactions;
- ensure that this documentation contains, inter alia, the following information:
  - mapping of intragroup operations;
  - the establishment of cost-sharing arrangements;
  - the formulation of a transfer pricing policy;
- ensure that documents are signed by persons with appropriate powers;
- ensure that documentation is stored at the functions involved in the process;
- communicate, without delay, to the company management and at the same time to the Supervisory Body, any critical issues that may arise in the context of the activity under consideration.

The Addressees as defined above that, for reason of their assignment or their function or specific mandate, are involved in the management of intercompany relations **is required to:**

- refrain from making simulated or otherwise fraudulent transactions, in whole or in part;
- maintain proof of the effectiveness of the performance;
- verify the actual performance of the service, the consistency of the implementing rules adopted with the applicable regulatory requirements and the compatibility of the conditions applied with the generally accepted criteria for determining the normal value of transactions.

In the context of the aforementioned conduct **it is prohibited to:**

- to register invoices or to keep records of all or part of the services not provided;
- destroy or conceal accounting records or other relevant documentation in order to obtain a tax advantage;
- perform transactions with Group Companies in order to circumvent tax regulations.

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The following are the main examples of crimes with reference to the following process:

- *Accounting, budgeting and tax management*

The management of accounting, preparation of the budget and management of taxation could present potential risk profiles in relation to the crime of fraudulent declaration by the use of

invoices or other documents for non-existent transactions in case the Company registered in the accounts invoices for transactions (in whole or in part) non-existent in order to evade income or value added tax.

The management of accounting, preparation of the budget and management of taxation could present potential risk profiles in relation to the crime of fraudulent declaration by other means in the event that the Company indicates in the balance sheet simulated posts supported by false documentation, in order to be able to declare fictitious passive items or assets lower than real items.

Accounting management could present risk profiles in relation to the crime of concealment or destruction of accounting documents in the event that, for example, the legal representative of the Company, in order to evade income tax and value added tax, concealed or destroyed the documents whose preservation is mandatory, so as not to allow the tax authorities to rebuild the income and turnover of the Company.

The management of taxation and, therefore, the management of declarations prepared for tax purposes, could present potential risk profiles in relation to the offence of fraudulent declaration by the use of invoices or other documents for non-existent transactions and fraudulent declaration by other means in the event that, for example, the Company indicated, in the tax return/VAT , fictitious elements on the basis of invoices or other false documents issued against non-existent transactions, recorded in compulsory accounting records or, in any case, held for purposes of proof against the Financial Administration.

In order to identify the principles of conduct in the field of accounting management, budgeting and tax management, please refer to the "Sensitive Processes in the field of corporate crimes (including corruption crimes between private individuals)" of the present Model and of continuation the main principles of behavior are brought back:

- behave correctly, transparently and collaboratively, in compliance with the rules of law, the applicable accounting principles and internal rules, in all activities aimed at the formation of the financial statements and other social communications, in order to provide truthful and correct information on the economic, financial, financial and fiscal situation of the Company;
- ensure the strictest accounting transparency at all times and under all circumstances;
- to identify clearly and comprehensively the functions affected by the communications and the data and information to be provided by them;
- to provide the necessary training on the main legal and accounting notions and issues relating to the budget, addressed to those responsible for the functions involved in the preparation of the budget and other related documents, taking care, in particular, both the training of new recruits and the provision of periodic refresher courses
- observe the rules of clear, correct and complete registration in the accounting activity of the facts relating to the management of the Company;

- ensure the completeness and accuracy of the closures;
- ensure compliance with the company rules on the preparation of statutory and consolidated financial statements;
- ensuring compliance with the rules on segregation of tasks between the person who carried out the operation, the person responsible for recording it in the accounts and the person carrying out the audit;
- proceed to the valuation and registration of economic assets in compliance with the criteria of reasonableness and prudence, clearly explaining, in the relevant documentation, the criteria that guided the determination of the value of the asset;
- ensure the correct application of accounting principles for the definition of the civil balance sheet items and a correct operating method for their accounting;
- ensuring the documentability of transactions and accounting records in order to be able to reconstruct, with reasonable level of detail, that accounting records reflect transactions that have occurred;
- provide for the use of systems which guarantee the integrity of accounting records and the traceability of the activities carried out on them;
- to ensure compliance with the obligations (both in terms of declarations and payments) and the deadlines defined by tax legislation;
- to ensure that key new tax legislation is disseminated to staff involved in tax management in a timely manner;
- to ensure that the draft financial statements are subject to the verification of all business functions provided for in the company's procedures;
- to guide the relationship with the Supervisory Authorities, including the tax authorities, to the maximum transparency, collaboration, availability and in full respect of the institutional role played by them and the existing legal provisions in this field, the general principles and rules of conduct referred to in the Code of Conduct and in this part of the Model;
- use accounting systems that ensure the traceability of individual transactions and the identification of users who enter data into the system or modify its contents;
- ensure compliance with the requirements of direct and indirect tax legislation;
- ensure the smooth functioning of the Company and the Social Organs, guaranteeing and facilitating all forms of internal control over the social management provided for by law, as well as the free and correct formation of the shareholders' will;
- assign consultancy assignments for activities other than auditing to the auditing firm or to the companies or professional entities that are part of the same network of the auditing firm, exclusively in compliance with current legislation;
- where third parties (companies, consultants, professionals, etc.) are used to manage the activities, ensure that relations with the aforementioned are formalized through written contracts containing clauses specifying:
  - that the third party declares to respect the principles of D.lgs. 231/2001 and to respect the principles of the Code of Business Conduct;

- the third party declares that it has put in place all the necessary formalities and precautions aimed at the prevention of the above mentioned crimes, having provided - where possible - its company structure with internal procedures and systems that are fully adequate for such prevention;
- that the veracity of the aforementioned declarations could be cause of termination of the contract pursuant to art. 1456 c.c.;

- to report to their hierarchical manager or to the company management and, at the same time, to the Supervisory Body, both the existence of errors or omissions in the accounting process of management events and behaviours not in line with the aforementioned forecasts.

The Addressees, as defined above, who, by reason of their assignment or function or specific mandate, are involved in the aforementioned process, are required to:

- behave correctly, transparently and collaboratively, in compliance with the law, in all activities aimed at accounting records, including those relevant for tax purposes, as well as the fulfilment of obligations under tax law;
- to carry out in a timely, correct and good faith all the fulfillments, including the transmission of declarations and communications, as well as the settlement and payment of taxes, in compliance with the deadlines defined by the tax legislation, time in time;
- correctly record each operation, verifying that it is duly authorised, verifiable, legitimate, consistent and appropriate;
- ensure adequate segregation of tasks and responsibilities at all stages of the management of the obligations required by tax legislation on direct taxes and VAT;
- provide for the analysis of tax risks, in relation to the evolution of the activities carried out by the Company, changes in the regulatory framework or particularly significant jurisprudential rulings;
- to ensure that regular checks are carried out on:
  - punctual and correct compliance with the deadlines within which the obligations to submit tax declarations and notifications, as well as to pay taxes, taxes, contributions and withholding taxes must be fulfilled;
  - the veracity of the declarations in relation to the accounting records;
  - the correctness of the taxes paid;
  - the correspondence between the amounts of tax cleared and the amounts actually paid;
- ensure that all documents in support of tax records and declarations and communications are correct, verified, authorised and kept, for the periods established by current legislation, in an orderly manner and capable of carrying out checks at any time;
- keep in a correct and orderly manner the accounting records and other documents which must be kept for tax purposes, including by establishing physical and/or computer defences that prevent acts of destruction or concealment.

In the context of the aforementioned conduct **it is prohibited to:**

- to put in place actions aimed at providing misleading information with regard to the effective representation of the Company, not providing a correct representation of the economic, patrimonial, financial and fiscal situation of the Company;
- carry out transactions, including with Group Companies, in order to circumvent tax regulations;
- create funds to create, or allow to create, illicit, hidden or otherwise not regularly accounted for funds, through any illicit, simulated, fictitious and/or incorrectly accounted financial transaction or movement;
- to register invoices or to keep records of all or part of the services not provided;
- destroy or conceal accounting records or other relevant documentation in order to obtain a tax advantage;
- prepare or contribute to the preparation of all or part of untruthful documents in order to obtain undue advantages, for example to justify accounting records aimed at obtaining undue tax benefits;
- to behave in a misleading manner that could lead the Board of Statutory Auditors or the Statutory Audit Firm to make a technical-economic error in assessing the documentation submitted;
- engage in conduct that materially prevents, through the concealment of documents or the use of other fraudulent means, or that in any case hinders the performance of control by the statutory auditors;
- altering or destroying financial and accounting documents and information available on the network through unauthorised access or other appropriate action;
- make untruthful statements to the Supervisory Authorities, presenting documents wholly or in part that do not correspond to reality.

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The following are the main examples of crimes with reference to the following process:

- *Management of shareholders' meetings, capital transactions and other non-routine operations*

The management of capital transactions and other non-routine operations could present risk profiles in relation to tax offences in the event that, for example, the Company carries out covert or improper transactions, making the assets non-existent.

The management of capital transactions and other non-routine operations could present risk profiles in relation to tax offences in the event that, for example, the disposal of social shareholdings or the devaluation of social holdings were simulated.

In order to identify the principles of conduct in the management of shareholders' meetings, capital transactions and other non-routine operations, please refer to the provisions of the "Sensitive

Processes in the field of corporate crimes (including private corruption)". The main principles of conduct are also set out here.

Capital and/or non-routine transactions are approved and approved by the Board of Directors and/or the Shareholders' Meeting.

All documentation must be archived by the functions involved in the process on the basis of the company rules and the relevant legislation.

With regard to the management of shareholders' meetings, capital transactions and other non-routine operations, the parties involved must ensure the smooth functioning of the Company and the corporate bodies, guaranteeing and facilitating the free and correct formation of the Assembly's will.

The Addressees, as defined above, who, by reason of their assignment or function or mandate, are involved in the Management of Shareholders' Meetings, Capital Transactions and other non-routine operations are required to:

- ensuring compliance with the rules of segregation of tasks between those involved in the management of shareholders' meetings, capital operations and other non-routine operations;
- ensure that administrative and accounting requirements relating to capital transactions and other non-routine operations are managed with the utmost diligence and professionalism, avoiding situations of conflict of interest;
- ensure that the exclusive power to decide on the completion of transactions such as (for example): purchases, disposals, mergers, investments, divestments or commitments in general by the Bank and the Companies, directly or indirectly, subsidiaries of strategic importance, both within the competence - within the limits provided for by the Statute - of the Board of Directors;
- to ensure the smooth functioning of the company bodies by allowing all internal control;
- make available data and documents requested by the control bodies in a timely manner and in a clear, objective and exhaustive language in order to provide accurate, complete, faithful and truthful information.

With reference to extraordinary finance transactions (typically referring to bond issuance, borrowing and lending, underwriting and share capital increases, granting of guarantees and sureties, granting of loans and underwriting of bonds, acquisitions of branches of companies or shareholdings, other extraordinary transactions such as mergers, divisions, contributions) the parties involved must ensure: that the competent entity, be it the Board of Directors or other formally delegated person, have adequate information support to enable them to make an informed decision.

The delegated function is required, for each extraordinary finance transaction to be resolved, to prepare the appropriate documentation to assess its feasibility and the strategic and economic advantage, including, where applicable:

- qualitative-quantitative description of the target (feasibility study, financial analysis, studies and statistics on the reference market, comparisons between different options for carrying out the transaction);
- characteristics and subjects involved in the transaction, including through compliance analysis;
- technical structure, main collateral and collateral arrangements and financial coverage of the operation;
- how to determine the economic conditions of the transaction and indication of any external consultants/intermediaries/advisors involved;
- the impact on the prospective economic, financial and capital situation;
- assessments of the adequacy and the relevance of the transaction to be resolved.

To the Recipients as defined above that, by reason of their assignment or their function or mandate, they are involved in the management of capital transactions and other non-routine operations, **it is also required to:**

- ensure adequate process segregation at all stages of the conduct of the Bank's capital and/or non-routine operations, including the involvement of internal functions and, where necessary, of an expert tax advisor
- to ensure prior assessment of any tax risks and compliance with tax legislation;
- ensure the adequacy of all supporting documentation, so that the Board can assess the feasibility and strategic and economic expediency, as well as the tax risks of each transaction; on that point, the information support may include, also, one or more tax opinions.

In the field of conduct, **it is prohibited to:**

- put in place, at meetings, simulated or fraudulent acts aimed at altering the regular process of forming the will of the assembly;
- to put in place actions aimed at providing misleading information with regard to the effective representation of the Company, not providing a correct representation of the economic, patrimonial, financial and fiscal situation of the Company;
- omit data and information required by the law on the economic, patrimonial and financial situation of the Company;
- conduct transactions to circumvent tax regulations;
- proceed to fictitious formation or increase of share capital by: (i) allocation of shares or units exceeding the total amount of share capital, (ii) reciprocal subscription of shares or units, (iii) significant overvaluation of the contributions of assets in kind or of claims or of the Bank's assets in the event of conversion;
- to behave in a misleading manner that could lead the Board of Statutory Auditors or the Company of Statutory Auditors to make a mistake in the technical-economic evaluation of the documentation submitted;
- produce incomplete documents and false or altered data.

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The following is the main example of the offences with reference to the following process:

- *Management of gifts, gifts, events and sponsorships.*

The handling of gifts, gifts, events and sponsorships could present risk profiles regarding the configuration of the crime of fraudulent declaration by the use of invoices or other documents for non-existent transactions in the event that, for example, it would be possible to write down in the registers and then indicate in the ires/irpef or vat returns - in order to evade value added tax and income tax - documents relating to sponsorships not carried out in whole or in part or whose value is clearly abnormal with respect to market value.

In order to identify the principles of conduct in the management of gifts, donations, events and sponsorships, please refer to the provisions of the "Sensitive Trials in crimes against the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority" of this Model and the following are the main principles of behavior:

- to ensure compliance with the group and company rules governing the processes listed above;
- ensure that all events are approved in accordance with the existing delegation scheme;
- in the case of events organized by the Company with the support of third parties (agencies, outfitters, etc.), ensure that the selection of the same is always in compliance with the rules in the section "Management of purchases of goods and services (including advice)" of this Chapter;
- ensure that gifts are of reasonable value, linked to a predefined commercial purpose and purchased and paid in accordance with business procedures;
- ensure the existence of a catalogue of goods/services which may be provided free of charge, indicating the cost of each item;
- validate any gifts not included in the catalogue;
- ensure transparency and traceability of the approval and delivery process;
- ensure the complete and correct storage and registration, also through the use of dedicated registers, of the gifts provided with indication, among others, of the characteristics of the individual gadget and its recipients;
- ensure that donations and donations are approved by those with appropriate powers;
- provide for prior screening of the hypothetical recipient of the donation, in order to verify the particularities and integrity of the donation;
- ensure transparency and traceability of donations and donations;
- to ensure that the relevant functions fully archive the documentation certifying the grant;
- provide that relations with counterparties are formalised through appropriate contractual instruments;

In the context of the aforementioned conduct **it is prohibited to:**

- enter into contracts as part of (part or all) non-existent transactions;
- make the entry in the accounts and the subsequent indication in the tax declarations of documents received in the context of non-existent transactions (in whole or in part);
- making payments in cash, on encrypted current accounts or to entities other than those indicated in the contractual instruments;
- to make donations and donations that are not properly authorised, formalised and reported.

ANNEX A: The circumstances of the offences

1. ***The facts of the crimes against the Public Administration (Art. 24 and 25 of Legislative Decree no. 231/01)***

Art. 24

Undue perception of disbursements, fraud against the State, a public body or the European Union or for the achievement of public payments, computer fraud affecting the State or a public body and fraud in public supplies.

1. In relation to the commission of the crimes referred to in articles 316-bis, 316-ter, ((356,)) 640, paragraph 2, n. 1, 640-bis and 640-ter if committed to the detriment of the State or other public body (or the European Union)of the Penal Code, the financial penalty up to five hundred instalments shall apply to the institution.

2. If, as a result of the commission of the crimes referred to in paragraph 1, the institution has achieved a significant profit or has resulted in damage of particular gravity; the financial penalty applies from two hundred to six hundred shares.

((2-bis. The penalties provided for in the previous paragraphs in relation to the commission of the crime referred to in Article 2 of Law No. 898 of 23 December 1986 shall apply to the entity))

3. In the cases provided for in the previous paragraphs, the interdictive sanctions provided for in Article 9, paragraph 2, paragraphs c), d) and e) shall apply.

Art. 25

Embezzlement, bribery, undue inducement to give or promise utility, corruption, and abuse of office.

1. *In relation to the commission of the crimes referred to in Articles 318, 321, 322, first and third paragraphs, and 346-bis of the Penal Code, the financial penalty of up to two hundred shares shall apply. ((The same penalty shall apply, where the act offends the financial interests of the European Union, in relation to the commission of the offences referred to in Articles 314, first paragraph, 316 and 323 of the Criminal Code.)*
2. *In relation to the commission of the crimes referred to in articles 319, 319-ter, paragraph 1, 321, 322, paragraphs 2 and 4 of the Penal Code, the financial penalty from two hundred to six hundred shares applies to the institution.*
3. *In relation to the commission of the crimes referred to in Articles 317, 319, aggravated pursuant to Article 319-bis when from the fact the institution has obtained a significant profit, 319-ter, paragraph 2, 319-quater and 321 of the Criminal Code, the pecuniary sanction from three hundred to eight hundred shares applies to the entity.*
4. *The financial penalties provided for for the crimes referred to in paragraphs 1 to 3, apply to the institution even when such crimes have been committed by the persons referred to in Articles 320 and 322-bis.*

5. *In cases of conviction for one of the crimes indicated in paragraphs 2 and 3, the interdictive sanctions provided for in Article 9, paragraph 2, for a duration of not less than four years and not more than seven years shall apply, if the offence was committed by one of the persons referred to in Article 5, paragraph 1, letter a), and for a period of not less than two years and not more than four years, if the offence was committed by one of the persons referred to in Article 5, paragraph 1, letter b).*

5-bis. If, prior to the judgment at first instance, the institution has made effective efforts to prevent criminal activity from having further consequences, to provide evidence of the offences and to identify those responsible or to seize the sums or other benefits transferred and to eliminate the organisational deficiencies that have led to the offence through the adoption and implementation of organisational models capable of preventing offences of the kind that occurred, the interdictive sanctions have the duration established from article 13, codicil 2.

The individual cases referred to in Legislative Decree no. 231/01 are described briefly below in Articles 24 and 25.

- **Peculation (Art. 314, paragraph 1, p.e.)**

Such a crime is the case when the public officer or the person in charge of a public service, who, having for reason of his office or service the possession or otherwise the availability of money or other mobile thing of others, appropriates it.

The offence may give rise to the administrative liability of the Authority where the fact offends the financial interests of the European Union.

- **Embezzlement by profit from the error of others (Art. 316 c.p.)**

This may be the case where the public official or the person in charge of a public service, who, in the performance of his duties or service, avails himself of the error of another person, receives, or considers to be wrongly served, for himself or for a third party, money or other utility.

The offence may give rise to the administrative liability of the Authority where the fact offends the financial interests of the European Union.

- **Misappropriation of public funds (Art. 316-bis c.p.)**

This is the case where, after having received funding, subsidies, subsidised loans or other payments of the same type, in any case called, intended for the achievement of one or more purposes by the Italian State or the European Union, the use of the sums obtained for the purposes for which they were intended (the conduct, in fact, consists in having distracted, even partially, the sum obtained, without noting that the planned activity has taken place anyway).

Given that the moment of consumption of the crime coincides with the execution phase, the crime itself can also take the form of payments already obtained in the past and that are now not intended for the intended purpose.

- **Misappropriation of public funds (Art. 316-ter c.p.)**

This is the case in cases where - through the use or presentation of false declarations or documents or through the omission of due information - contributions or subsidies are obtained without entitlement, loans, subsidised loans or other similar loans granted or granted by the State, other public bodies or the European Community.

In this case, contrary to what we have seen with regard to the previous point (art. 316-bis), there is nothing to note about the use that is made of disbursements, since the crime comes to be carried out when obtaining funding.

Finally, it should be pointed out that this hypothesis of a crime is residual with respect to the case of fraud against the State, in the sense that it only takes place in cases where the conduct does not include the details of the fraud against the State.

- **Fraud in public supplies (Art. 356 c.p.)**

The offence takes the form of fraud in the performance of supply contracts or in the fulfilment of contractual obligations arising from a supply contract concluded with the State, or with another public body, or with an undertaking carrying out public or public services.

- **Fraud against the European Agricultural Fund (Art. 2. L. 23 December 1986, No. 898)**

This type of offence is the case where, through the presentation of false data or information, aid, premiums, allowances, refunds are unduly obtained, for themselves or for others, contributions or other payments in whole or in part from the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development.

- **Concussion (Art. 317 c.p.)**

This is the case where a public official or a public servant, abusing his quality or his powers, obliges someone to give money or to promise unduly to him or to a third party, money or other use. This crime is susceptible to a purely residual application within the circumstances considered by Legislative Decree No. 231/01; in particular, this form of crime could be found, within the scope of Legislative Decree No. 231/01 itself, in the event that an employee or an agent of the Company is involved in the crime of the public official or public service officer who, taking advantage of this quality, asks third parties for services not due (provided that this behaviour in any way gives the Company an advantage).

"Public official" and "public service officer" shall also mean the following:

1) the Members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;
2) officials and other servants recruited under contract under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;

3) persons seconded by Member States or by any public or private body within the European Communities and carrying out duties corresponding to those of officials or servants of the European Communities;
4) members and employees of bodies set up on the basis of the Treaties establishing the European Communities;
5) persons who, within the framework of other Member States of the European Union, perform functions are activities corresponding to those of public officials and public service officials;
6) the judges, the prosecutor, the assistant prosecutors, officials and agents of the International Criminal Court, persons seconded by States Parties to the Treaty establishing the International Criminal Court who perform functions corresponding to those of its officials or servants, members and staff of bodies established on the basis of the Treaty establishing the International Criminal Court;
7) persons exercising functions or activities corresponding to those of public officials and public service representatives in international public organisations;
8) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;
9) persons carrying out functions or activities corresponding to those of public officials and persons entrusted with a public service within States outside the European Union, where the fact offends the financial interests of the Union.

- **Undue inducement to give or promise utility (Art. 319-quater c.p.)**

This type of crime, also known as "bribery by induction", takes the form of a situation in which the public officer or public servant, abusing his position, induces someone to unduly give or promise money or other utility to himself or a third party.

The penalty is six to ten years' imprisonment and six months' imprisonment for the public official and the public servant, and up to three years' imprisonment for those who give or promise money or other benefits. The penalty is imprisonment for up to four years when the fact offends the financial interests of the European Union and the damage or profit exceeds 100,000 euros.

The punishability is extended also to the private subject who is induced to pay or to promise money or other usefulness, because of the abuse of power of the public officer or the public service charge. The following elements must be present in order to complete the case in question:

- a course of action by the active party which must be translated into induction;
- an event embodied by two conduct of the taxable person (promise or undue payment of money or other use);
- an etiological link between induction and the final event;
- the representation and volition of one’s own anti-judicial action.

- Corruption for the exercise of the function or to perform an act contrary to the duties of office (Art. 318, 319, 319-bis, 320 c.p.)

This is the case where a public official receives, for himself or for others, money or other advantages to perform, omit or delay acts of his office (resulting in an advantage in favour of the offeror).

The activity of the public official can extricate himself either in a due act (for example: speed up a practice whose evasion is within his competence), or in an act contrary to his duties (for example: public official accepting money to secure the award of a tender).

In the event of an act contrary to one's duties, the penalty shall be increased if the purpose of the act is the award of public employment or salaries or pensions or the conclusion of contracts in which the administration to which the public official belongs is concerned.

The penalties provided for in the event of corruption in respect of an act due shall also apply in cases where the offence is committed by a public servant, if he is a public servant.

The penalties provided for in the event of an act contrary to one's duties shall also apply where a public servant commits it.

Such cases of crime are different from concussion, in how much between corrupt and corruptor there is an agreement finalized to reach a mutual advantage, while in the concussion the private one suffers the conduct of the public officer or the charge of the public service.

Penalties are also provided for the corruptor (art. 321 c.p.).

"Public official" and "public service officer" shall also mean the following:

1) the Members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;
2) officials and other servants contractually recruited under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;
3) persons seconded by Member States or by any public or private body within the European Communities and carrying out duties corresponding to those of officials or servants of the European Communities;
4) members and employees of bodies set up on the basis of the Treaties establishing the European Communities;
5) persons who, within the framework of other Member States of the European Union, perform functions are activities corresponding to those of public officials and public service officials;
6) the judges, the prosecutor, the assistant prosecutors, officials and agents of the International Criminal Court, persons seconded by States Parties to the Treaty establishing the International Criminal Court who perform functions corresponding to those of its officials or servants, members and staff of bodies established on the basis of the Treaty establishing the International Criminal Court;

7) persons exercising functions or activities corresponding to those of public officials and public service representatives in international public organisations;
8) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;
9) persons carrying out functions or activities corresponding to those of public officials and persons entrusted with a public service within States outside the European Union, where the fact offends the financial interests of the Union.

For the purpose of determining penalties for the corruptor are considered "public official" and "public service officer", in addition to the subjects indicated in the previous paragraphs, persons carrying out functions or activities corresponding to those of public officials and public service representatives in other foreign States or international public organisations, where the fact is committed in order to provide itself or others with an undue advantage in international economic transactions.

- Corruption in judicial documents (Art. 319-ter c.p.)

This type of crime occurs when the Company is a party to judicial proceedings and, in order to obtain an advantage in the proceedings, bribes a public official (not only a magistrate, but also a registrar or other official).

- Incitement to corruption (Art. 322 c.p.)

This is the case if, in the presence of conduct aimed at corruption, the public official rejects the offer unlawfully advances.

"Public official" and "public service officer" shall also mean the following:

1) the Members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;
2) officials and other servants contractually recruited under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;
3) persons seconded by Member States or by any public or private body within the European Communities and carrying out duties corresponding to those of officials or servants of the European Communities;
4) members and staff of bodies set up on the basis of the Treaties establishing the European Communities;
5) persons who, within the framework of other Member States of the European Union, perform functions are activities corresponding to those of public officials and public service officials;
6) the judges, the prosecutor, the assistant prosecutors, officials and agents of the International Criminal Court, persons seconded by States Parties to the Treaty establishing the International Criminal Court who perform functions corresponding to

those of its officials or servants, members and staff of bodies established on the basis of the Treaty establishing the International Criminal Court;
7) persons exercising functions or activities corresponding to those of public officials and public service representatives in international public organisations;
8) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;
9) persons carrying out functions or activities corresponding to those of public officials and persons entrusted with a public service in countries outside the European Union, where the fact offends the financial interests of the Union.

- **Embezzlement, bribery, undue inducement to give or promise utility, corruption and incitement to corruption, ex officio abuse of members of the bodies of the European Communities and of officials of the European Communities and of foreign States (Art. 322-bis c.p.)**

The provisions of Articles 314, 316, 317 to 320 and 322, third and fourth paragraphs, and 323 shall also apply to:

1) Members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;
2) officials and other servants engaged under contract under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;
3) persons seconded by Member States or by any public or private body within the European Communities and carrying out tasks corresponding to those of officials or servants of the European Communities;
4) to members and staff of bodies set up on the basis of the Treaties establishing the European Communities;
5) to persons who, within the framework of other Member States of the European Union, perform functions or activities corresponding to those of public officials and public service representatives;
6) judges, prosecutors, assistant prosecutors, officials and agents of the International Criminal Court, persons seconded by the States Parties to the Treaty establishing the International Criminal Court to perform functions corresponding to those of its officials or servants, members and persons attached to bodies established on the basis of the Treaty establishing the International Criminal Court;
7) persons carrying out functions or activities corresponding to those of public officials and public service representatives in international public organisations;
8) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;
9) persons carrying out functions or activities corresponding to those of public officials and persons entrusted with a public service within States outside the European Union, where the fact offends the financial interests of the Union.

The provisions of the first and second subparagraphs of Articles 321 and 322 shall also apply where money or other use is given, offered or promised:

1) to the persons referred to in the first paragraph of this Article;

2) persons carrying out functions or activities corresponding to those of public officials and public service officials within other foreign States or international public organisations, where the fact is committed in order to provide itself or others with an undue advantage in international economic transactions.

The persons referred to in the first subparagraph shall be treated in the same way as public officials, where they carry out corresponding tasks, and persons entrusted with a public service in other cases.

- Abuse of office (Art. 323 c.p.)

The rule punishes the public officer, who, by abusing the powers inherent in his duties, commits, in order to cause harm to others or to provide him with an advantage, any fact not anticipated as a crime by a particular provision of law.

The offence may give rise to the administrative liability of the Authority where the fact offends the financial interests of the European Union.

- Trafficking in illicit influences (Art. 346-bis c.p.)

Any person, other than in the cases of involvement in the offences referred to in Articles 318, 319, 319-ter and in the offences of corruption referred to in Article 322-bis, by exploiting or boasting of existing or alleged relations with a public official or a public service official or one of the other entities referred to in Article 322-bis, unduly causes money or other utility to be given or promised to itself or to others, as the price of his unlawful mediation with a public official or a public service official or one of the other persons referred to in Article 322a, or to remunerate him in respect of the performance of his duties or powers, is punished with the penalty of imprisonment from one year to four years and six months.

- Fraud against the State, other public body or the European Union (Art. 640, paragraph 2 n. 1, p.e.)

This case of crime occurs in the event that, in order to achieve an unjust profit, are put in place of the artifices or deceptions such as to mislead and cause harm to the State (or to another public body or to the European Union).

This offence may occur for example in the event that, in the preparation of documents or data for participation in tender procedures, the Public Administration is provided with untruthful information (for example, supported by fabricated documentation)in order to obtain the award of the invitation to tender.

- Aggravated fraud for the achievement of public payments (Art. 640-bis c.p.)

This is the case if the fraud is committed in order to unduly obtain public payments.

This may be the case where fraud or deception takes place, for example by communicating untrue data or preparing false documentation, in order to obtain public funding.

- Computer fraud against the State or other public body (Art. 640-ter c.p.)

This type of crime is the case where, by altering the functioning of a computer or telematic system or by manipulating the data contained in it, an unjust profit is obtained by harming third parties.

The offence shall be aggravated if one of the circumstances provided for in No 1) of the second paragraph of Article 640 occurs, that is, if the fact produces a transfer of money, of monetary value or of virtual currency, or if it is committed with an abuse of the capacity of system operator, or where it is committed with theft or improper use of the digital identity to the detriment of one or more subjects.

In concrete terms, the crime in question can be integrated if, once funding has been obtained, the computer system is breached in order to include an amount of funding higher than that obtained legitimately.

1.1 The Public Administration

The objective of this paragraph is to indicate general criteria and to provide an illustrative list of those persons qualified as "active subjects" in crimes relevant for the purposes of Legislative Decree no. 231/01, or of those subjects whose qualification is necessary to integrate criminal cases in the same provided.

1.1.1 Public administration bodies

For the purposes of criminal law, any juridical person with a public interest and legislative activity is commonly considered as "Public Administration Body", judicial or administrative action under public law rules and authoritative acts.

Although there is no definition of public administration in the Penal Code, according to what is established in the Ministerial Report to the Code itself and in relation to the offences provided for therein, it is considered to belong to the public administration "all activities of the State and other public bodies".

In an attempt to formulate a preliminary classification of legal entities belonging to this category it is possible to recall, finally, art. 1, paragraph 2, D.Lgs. 165/01 in the matter of the organization of work for public administrations, which defines as public administrations all the administrations of the State.

The distinctive features of the Public Administration bodies are summarized below.

<u>Institution of the Public Administration:</u>

Any entity with a public interest, engaged in:

- legislative - judicial
- administrative action under:
- public law rules - of authoritative acts

Public Administration:
All activities of the State and other public bodies.
By way of example, the following entities or categories of entities may be indicated as subjects of the Public Administration:
- Institutes and schools of all grades and levels and educational institutions;
- Autonomous State authorities and agencies, such as:
- Ministries;
- Chamber and Senate;
- Community Policy Department;
- Competition and Market Authority

- Electricity and Gas Authority;
- Authority for Communications Guarantees;
- Bank of Italy;
- Consob;
- Data Protection Authority;
- the Revenue Agency;
- Regions;
- Provinces;
- Municipalities;
- mountain communities and their associations;
- Chambers of Commerce, Industry, Crafts and Agriculture, and their associations.

All national, regional and local non-economic public bodies, such as:
- INPS;
- CNR;
- INAIL;
- ISTAT;
- ENASARCO;
- ASL;
- State Entities and Monopolies;
- RAI.

Without prejudice to the purely illustrative nature of the public entities listed above, it should be noted that not all natural persons acting in the sphere and in relation to those entities are subject to (or by) which the criminal cases ex D.Lgs. 231/01 are perfected.

In particular, the figures that assume importance for this purpose are only those of the "Public Officers" and "Public Service Officers".

1.1.2 Public Officials

Pursuant to art. 357, first paragraph, penal code, is considered public official "for the purposes of criminal law" who exercises "a public legislative, judicial or administrative function".
The second paragraph then defines the concept of "public administrative function". On the other hand, a similar definitory activity has not been carried out in order to clarify the notion

of "legislative function" and "judicial function" because the identification of the subjects who respectively exercise them has not usually given rise to particular problems or difficulties.
Therefore, the second paragraph of the article in question states that, for the purposes of criminal law, "the administrative function governed by rules of public law and by authoritative acts and characterized by the formation and manifestation of the will of the public administration or its development by means of authoritative or certifying powers".
In other words, the administrative function governed by "public law rules" is defined as public, that is, those rules aimed at the pursuit of a public purpose and the protection of a public interest and, as such, opposed to the rules of private law.
The second paragraph of art. 357 c.p. then translates into normative terms some of the main principles identified by the jurisprudence and doctrine to differentiate the notion of "public function" from that of "public service".
The distinguishing features of the first figure can be summarised as follows:

Public Officer: A person who exercises a public legislative, judicial or administrative function.
Administrative civil service: An administrative function governed by rules of public law and by authoritative acts; characterized by:
- training and demonstration of the will of the public administration, or - by means of authoritative or certifying powers.
- Rules of public law: Rules for the pursuit of a public purpose and the protection of a public interest.
- Foreign Public Officials:
- any person exercising a legislative, administrative or judicial function in a foreign country;
- any person performing a public function for a foreign country or for a public body or public undertaking in that country;
- any official or servant of a public international organization.

1.1.3 Persons in charge of a public service

The definition of the category of "persons entrusted with a public service" is not at all consistent in doctrine as well as in jurisprudence. If this category of "persons in charge of a public service" is to be clarified, it is necessary to refer to the definition provided by the Criminal Code and to the interpretations that have emerged as a result of the practical application. In particular, art. 358 c.p. states that "those who, for whatever reason, provide a public service are in charge of a public service.
Public service must be understood as an activity governed in the same way as a public service but characterised by a lack of the typical powers of the latter, and with the exclusion of the performance of simple tasks of order and of merely material work".
The "service", in order for it to be defined as public, must be governed - as well as the "public function"- by rules of public law but without powers of a certifying, authorizing and deliberative nature proper to the public function.
The law also specifies that "public service" cannot ever constitute the performance of "simple tasks of order" nor the "performance of merely material work".

The jurisprudence has identified a series of "revealing indexes" of the public nature of the institution, for which the case-law on Public Limited Companies is emblematic. In particular, the following indices are referred to:

- the submission to an activity of control and direction for social purposes, as well as to a power of appointment and dismissal of directors by the State or other public bodies;
- the presence of an agreement and/or concession with the public administration;
- the State's financial contribution;
- the presence of the public interest in economic activity.

On the basis of the foregoing, the discriminatory element in indicating whether or not an entity is a "public service employee" is represented, not by the legal nature assumed or held by the entity, but the functions entrusted to the subject, which must consist in the care of public interests or in the satisfaction of needs of general interest.
The specific characteristics of the public service commissioner are summarised in the following table:

Public Service Officers: Those who, in any capacity, provide a public service.

Public service: An activity:

- governed by public law;
- characterized by the lack of powers of a deliberative, authoritative and certifying nature (typical of the Public Administrative Function), and - can never constitute public service the performance of simple tasks of order nor the performance of purely material work.

2. The case of "cybercrime" (Art. 24-bis of Legislative Decree no. 231/01)

The law n. 48/2008 of ratification of the Convention on cybercrime has introduced in Legislative Decree. 231/01 art. 24-bis, which extended the administrative responsibility of legal entities to crimes of "Cybercrime".

Art. 24-bis

Computer crimes and unlawful data processing

1. In relation to the commission of the crimes referred to in Articles 615-ter, 617-quater, 617-quinquies, 635-bis, 635-ter, 635-quater and 635-quinquies of the Penal Code, the financial penalty from one hundred to five hundred shares applies to the institution.

2. In relation to the commission of the crimes referred to in articles 615-quater and 615-quinquies of the penal code, the financial penalty up to three hundred shares is applied to the entity.

3. In relation to the commission of the offences referred to in Articles 491a and 640-quinquies of the Criminal Code, except as provided for in Article 24 of this Decree for cases of computer fraud against the State or other public body, ((and the crimes referred to in Article 1, paragraph 11, of Decree-Law 21 September 2019, n. 105,)) applies to the institution the financial penalty up to four hundred shares.

4. In cases of conviction for one of the crimes indicated in paragraph 1, the interdictive sanctions provided for in Article 9, paragraph 2, letters a), b) and e) shall apply. In cases of conviction for one of the crimes indicated in paragraph 2, the interdictive sanctions provided for in Article 9, paragraph 2, letters b) and e) shall apply. In cases of conviction for one of the crimes indicated in paragraph 3, the interdictive sanctions provided for in Article 9, paragraph 2, letters c), d) and e) shall apply.

The individual cases referred to in D.Lgs. 231/01 in art. 24-bis are described briefly below:

- **Falsehood in a public or probative electronic document (Art. 491bis c.p.)**

If any of the falsehoods provided for in this Chapter relate to a public computerised document having probative effect, the provisions of that Chapter concerning authentic instruments shall apply.

- **Abusive access to a computer or telematic system (Art. 615-ter c.p.)**

Anyone who improperly enters a computer or telematic system protected by security measures or maintains there against the express or tacit will of those who have the right to exclude it, is punished with imprisonment up to three years.

The penalty is one to five years imprisonment:

1) if the fact is committed by a public official or a public service official, an abuse of powers, or a breach of duties inherent in the office or service, or by a person who also abuses the profession of private investigator, or an abuse of the status of system operator;

2) if the perpetrator uses violence against things or persons, or if he is obviously armed;

3) if it results in the destruction or damage of the system or the total or partial interruption of its operation, or the destruction or damage of the data, information or programs contained therein.

Where the facts referred to in the first and second subparagraphs concern computer or telematic systems of military interest or relating to public order or public security or health or civil protection or otherwise of public interest, the penalty shall, respectively, from one to five years and from three to eight years. In the case provided for in the first paragraph, the offence is punishable on the complaint of the offended person; in other cases, it is proceeded ex officio.

- **Possession, dissemination and improper installation of equipment, codes and other means for access to computer or telematic systems (art. 615-quater c.p.)**

Any person who, in order to make himself or others a profit or cause harm to others, improperly procures, holds, produces, reproduces, disseminates, imports, communicates, delivers, otherwise makes available to others or installs equipment, instruments, parts of equipment or other instruments, codes, keywords or other means suitable for access to a computer or telematic system, protected by security measures, or in any case provide indications or instructions suitable for the aforementioned purpose, is punished with imprisonment up to two years and with the fine up to five thousand one hundred and sixty-four euros.

The penalty shall be imprisonment of one to three years and the fine of five and one hundred and sixty-four to ten thousand three hundred and twenty-nine Euros if any of the circumstances referred to in the fourth paragraph of Article 617c occurs.

- **Possession, dissemination and misuse of equipment, devices or computer programs intended to damage or interrupt a computer or telematic system (Art. 615-quinquies c.p.)**

Any person who, for the purpose of unlawfully damaging a computer or telematic system, improperly procures the information, data or programmes contained therein or relating thereto, or to facilitate the interruption, total or partial, or alteration of its operation, holds, produces, reproduces, imports, disseminates, communicates, delivers or otherwise makes available to others or installs equipment, devices or computer programs, is punished with imprisonment up to two years and with a fine of up to 10,329 euros.

- **Interception, prevention or unlawful interruption of computer or telematic communications (Art. 617-quater c.p.)**

Any person who fraudulently intercepts communications relating to a computer or telematic system or who interferes with more than one system, or who prevents or interrupts it, shall be punished by imprisonment from one year and six months to five years. Unless the fact constitutes a more serious offence, the same penalty shall apply to any person who reveals, by any means of information to the public, in whole or in part, the content of the communications referred to in the first subparagraph.

The crimes referred to in paragraphs 1 and 2 shall be punishable in the name of the person offended.

However, this is done ex officio and the penalty is imprisonment of three to eight years if the fact is committed:

i. to the detriment of a computerised or telematic system used by the State or by another public body or by a public or public service undertaking;
ii. a public official or a public service official with abuse of powers or breach of duties relating to the function or service, or abuse of the status of system operator;
iii. by those who also illegally practice as private investigators.

- **Possession, dissemination and improper installation of equipment and other means capable of intercepting, preventing or interrupting computer or telematic communications (Art. 617-quinquies c.p.)**

Any person, other than in the cases permitted by law, who, for the purpose of intercepting communications relating to a computer or telematic system or between several systems, or to prevent or interrupt them, procures, holds, produces, reproduces, disseminates, imports, communicate, deliver, otherwise make available to others or install equipment, programmes, codes, keywords or other means capable of intercepting, preventing or interrupting communications relating to a computer or telematic system or between several systems, is punished with imprisonment from one to four years.

The penalty shall be one to five years imprisonment in the cases provided for in the fourth paragraph of Article 617c.

- **Damage to information, data and computer programs (Art. 635-bis c.p.)**

Unless the fact constitutes a more serious offence, any person who destroys, deteriorates, deletes, alters or suppresses information, data or computer programs of others, shall be punished, on the complaint of the offended person, with imprisonment from six months to three years.

If the act is committed with violence to the person or with threat or with abuse of the quality of operator of the system, the penalty is imprisonment from one to four years.

- **Corruption of information, data and computer programs used by the State or other public body or otherwise of public utility (art. 635-ter c.p.)**

Unless the fact constitutes a more serious offence, any person who commits an act intended to destroy, deteriorate, delete, alter or suppress information, data or computer programs used by the State or any other public body or bodies relevant to them, or otherwise of public utility, is punished with imprisonment from one to four years.

If the event results in the destruction, deterioration, deletion, alteration or deletion of information, data or computer programs, the penalty shall be imprisonment for 3 to 8 years.

If the fact is committed with violence to the person or with threat or with abuse of the quality of operator of the system, the penalty is increased.

- **Damage to computer or telematic systems (Art. 635-quater c.p.)**

Unless the fact constitutes more serious offense, anyone, through the conduct referred to in art. 635a, or through the introduction or transmission of data, information or programs, destroys, damages, renders, in whole or in part, useless computer or telematic systems of others or seriously hinders their operation is punished with imprisonment from 1 to 5 years.

If the fact is committed with violence to the person or with threat or with abuse of the quality of operator of the system, the penalty is increased.

- **Damage to computer or telematic systems of public utility (Art. 635- quinquies c.p.)**

If the fact referred to in art. 635-quater is intended to destroy, damage, render, in whole or in part, useless computer or telematic systems of public utility or to seriously hinder their operation, the penalty is imprisonment from 1 to 4 years.

If the fact results in the destruction or damage of the computer or telematic system of public utility or if this is rendered, in whole or in part, useless, the penalty is imprisonment from 3 to 8 years.

If the fact is committed with violence to the person or with threat or with abuse of the quality of operator of the system, the penalty is increased.

- **Computer fraud of the person providing electronic signature certification services (Art. 640-quinquies c.p.)**

The entity providing electronic signature certification services, which, in order to provide itself or others with an unfair profit or to cause other harm, infringes the legal obligations for the issue of a qualified certificate, is punished with imprisonment up to 3 years and with the fine from 51 to 1,032 euros.

- **Obstruction or conditioning of the execution of national cyber security measures (art. 1, paragraph 11, of D.L. 21 September 2019, n.105)**

Anyone, in order to hinder or condition the completion of the procedures referred to in paragraph 2, letter b), or in paragraph 6, letter a), or the inspection and supervision activities provided for by paragraph 6, letter c), provides information, data or factual elements that do not correspond to the truth, relevant for the preparation or updating of the lists referred to in paragraph 2, letter b), or for the purposes of the communications referred to in paragraph 6, letter a), or for the performance of inspection and supervisory activities referred to in paragraph 6), letter c) or fails to communicate within the prescribed time the aforementioned data, information or facts, is punished with imprisonment from one to three years.

3. Cases of organised crime (Art. 24-ter of Legislative Decree no. 231/01)

The Law 15 July 2009, n. 94, art. 2, paragraph 29, introduced the crimes of organized crime under art. 24b of Legislative Decree No. 231/01.

Art. 24-ter

Crimes of organised crime

1. In relation to the commission of any of the offences referred to in Articles 416, sixth paragraph, 416-bis, 416-ter and 630 of the Penal Code, to crimes committed under the conditions laid down in that Article 416-bis or in order to facilitate the activities of the associations provided for in the same article, as well as the crimes provided for in Article 74 of the single text referred to in the decree of the President of the Republic 9 October 1990, n. 309, the pecuniary sanction from four hundred to one thousand shares applies.

2. In relation to the commission of some of the crimes referred to in article 416 of the Penal Code, with the exception of the sixth paragraph, or referred to in article 407, paragraph 2, letter a), number 5), of the Code of Criminal Procedure, the pecuniary sanction from three hundred to eight hundred shares applies.

3. In cases of conviction for one of the crimes indicated in paragraphs 1 and 2, the interdictive sanctions provided for in Article 9, paragraph 2, for a period of not less than one year shall apply.

4. If the institution or one of its organisational units is permanently used for the sole or overriding purpose of allowing or facilitating the commission of the offences referred to in paragraphs 1 and 2, the sanction of the definitive prohibition from the exercise of the activity pursuant to Article 16 shall apply, paragraph 3.

The individual cases referred to in art. 24b of Legislative Decree no. 231/01 are described briefly below.

- **Criminal association (art. 416 c.p.)**

When three or more persons are associated with the purpose of committing more crimes, those who promote or constitute or organize the association shall be punished, for this alone, by imprisonment of three to seven years.

For the mere fact of participating in the association, the penalty is imprisonment from one to five years.

Leaders are subject to the same penalty as promoters. If the associates run in arms the campaigns or the public ways, the imprisonment from five to fifteen years applies.

The penalty is increased if the number of associates is ten or more.

If the association intends to commit any of the crimes referred to in Articles 600, 601, 601a and 602, as well as in Article 12, paragraph 3-bis, of the single text of the provisions concerning the regulation of immigration and rules on the status of aliens, referred to in Legislative Decree no. 286 of 25 July 1998 and in Articles 22, paragraphs 3 and 4, 22-bis, paragraph 1 of Law No. 1 of April 1999, n. 91, imprisonment from five to fifteen years shall apply in the cases provided for in the first paragraph and from four to nine years in the cases provided for in the second paragraph.[1]

[1] The types of crime provided for in art. 600, 601, 601-bis and 602 c.p. are described in the paragraph relating to crimes against individual personality, provided for in art. 25- d of D.Lgs. 231/01.
Article 12, paragraphs 3 and 3-bis , of Legislative Decree. July 25, 1998, n. 286 (Provisions against illegal immigration) provides: "Unless the fact is more serious crime, anyone, in violation of the provisions of this single text, promotes, directs, organizes, finance or carry out the transport of aliens within the territory of the State or carry out other acts aimed at illegally securing their entry into the territory of the State or another State of which the person is not a citizen or has no permanent residence permit, is punished with imprisonment from five to fifteen years and with the fine of € 15,000.00 for each person in the event that: a) the fact concerns the entry or illegal stay in the

- **Association of mafia type also foreign (art. 416- bis c.p.)**

Anyone who is part of a Mafia-type association of three or more people is punished by imprisonment from ten to fifteen years. Those who promote, direct or organize the association are punished, for this alone, with imprisonment from twelve to eighteen years.

The association is of the Mafia type when those who are part of it make use of the force of intimidation of the associative bond and the condition of subjection and silence that ensues to commit crimes, to acquire directly or indirectly the management or otherwise control of economic activities, concessions, authorisations, contracts and public services or to achieve profits or unfair advantages for themselves or for others.

If the association is armed, the penalty of imprisonment shall be twelve to twenty years in the cases provided for in the first paragraph and fifteen to twenty-six years in the cases provided for in the second paragraph.

The association is considered armed when the participants have the availability, for the achievement of the purpose of the association, of weapons or exploding materials, even if hidden or kept in place of storage.

If the economic activities of which the members intend to assume or maintain control are financed in whole or in part by the price, the product, or the profit of crimes, the penalties established in the preceding paragraphs shall be increased from one third to one half. It is always obligatory for the condemned person to confiscate the things that served or were destined to commit the crime and the things that are its price, the product, the profit or that constitute its use.

The provisions of this Article shall also apply to the *Camorra*, the *Ndrangheta* and other associations, however locally referred to, also foreign, which using the intimidating force of the associative bond pursue purposes corresponding to those of mafia-type associations.

- **Political-mafia electoral exchange (art. 416- ter c.p.)**

Any person who accepts, directly or through intermediaries, a promise to obtain votes from persons belonging to the associations referred to in Article 416-bis or by the means referred to in the third paragraph of Article 416-bis in exchange for disbursement or promise of payment of money or any other utility or in exchange for willingness to meet the interests or needs of the Mafia is punished with the penalty set out in the first paragraph of article 416-bis.

territory of the State of five or more persons; b) the person transported has been exposed to a risk to his life or to his or her safety in order to secure his or her illegal entry or residence; c) the person transported has been subjected to inhuman or degrading treatment in order to secure his or her illegal entry or residence; d) the act is committed by three or more persons in competition with each other or by using international transport services or forged or altered or illegally obtained documents; c) the perpetrators have the availability of explosive weapons or materials. 3-bis. If the facts referred to in paragraph 3 are committed using two or more of the hypotheses referred to in letters a), b), c), d) and e) of the same paragraph, the penalty provided for therein is increased. (omits)

The same penalty shall apply to any person who promises, directly or through intermediaries, to obtain votes in the cases referred to in the first subparagraph.

If the person who accepted the promise of votes, following the agreement referred to in the first subparagraph, was elected in the relevant election, the penalty provided for in the first paragraph of Article 416-bis increased by half shall apply.

In the event of conviction for the offences referred to in this Article, perpetual disqualification from public office shall always follow.

- **Kidnapping for the purpose of extortion (Art. 630 c.p.)**

Anyone who kidnaps a person for the purpose of achieving, for himself or for others, an unjust profit as the price of liberation, is punished with imprisonment from twenty-five to thirty years.

If the kidnapping results in the death, as an unintended consequence of the offender, of the kidnapped person, the guilty person is punished with the imprisonment of thirty years.

If the guilty person causes the death of the kidnapped person, the penalty of life imprisonment applies.

To the competitor who, dissociating himself from the others, takes care so that the taxable person regains freedom', without this result being a consequence of the price of liberation, the penalties provided for by art. 605.

If, however, the taxable person dies as a result of the seizure after his release, the penalty is six to fifteen years' imprisonment.

In respect of a competitor who, by dissociating himself from the others, endeavours, outside the case provided for in the preceding paragraph, to prevent criminal activity from having further consequences, or to help the police or judicial authority to collect decisive evidence for the detection or capture of competitors, the penalty of life imprisonment is replaced by that of imprisonment from twelve to twenty years and the other penalties are reduced from one third to two thirds.

Where a mitigating circumstance occurs, the sentence provided for in the second paragraph shall be replaced by 20 to 24 years' imprisonment; the sentence provided for in the third paragraph shall be replaced by twenty-four to thirty years' imprisonment.

Where several attenuating circumstances are involved, the penalty to be applied as a result of the reductions may not be less than 10 years, in the case provided for in the second subparagraph, and 15 years, in the case provided for in the third subparagraph.

The time limits laid down in the preceding paragraph may be exceeded where the attenuating circumstances referred to in the fifth paragraph of this Article occur.

Criminal association aimed at the distribution of narcotic or psychotropic substances (Art. 74 DPR 309/1990 - Consolidated Text on Narcotic Drugs)

When three or more persons are associated with the purpose of committing more crimes than those provided for in Article 73, the person who promotes, constitutes, directs, organizes or finances the association shall be punished for this only with imprisonment not less than twenty years. Those who participate in the association are punished with imprisonment not less than ten years. The penalty is increased if the number of members is ten or more or if there are persons among the participants involved in the use of narcotic or psychotropic substances. If the association is armed the penalty, in the cases indicated by paragraphs 1 and 3, may not be less than twenty-four years of imprisonment and, in the case provided for by paragraph 2, twelve years of imprisonment. The association is considered armed when the participants have the availability of weapons or exploding materials, even if hidden or kept in place of storage. The penalty shall be increased if the circumstance referred to in letter e) of paragraph 1 of Article 80 applies. If the association is formed to commit the facts described in paragraph 5 of Article 73, the first and second paragraphs of Article 416 of the Criminal Code shall apply.

The penalties provided for in paragraphs 1 to 6 are reduced from half to two thirds for those who have effectively worked to secure the evidence of the crime or to remove the association decisive resources for the commission of crimes.

- Art. 407, co. 2, lett. a), n. 5 c.p.p. Offences of illegal manufacture, introduction into the State, sale, disposal, possession and carrying in public or open to the public of weapons of war or war type or parts thereof, explosives, clandestine weapons and more common firearms excluding those provided by art. 2, No. 3 l. 110/7

4. Cross-border offences (Law No. 146 of 16 March 2006)

Law No. 146 of 16 March 2006, published in the Official Journal on 11 April 2006, ratified and implemented the Convention and the Protocols of the United Nations against transnational organised crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001 (c.d. Palermo Convention).

The core of the convention is the concept of transnational crime (Art. 3). Such is the crime which (i) goes beyond, in one or more respects (preparatory, commissive or effectual), the boundaries of an individual State, (ii) is committed by a criminal organization and (iii) is of a certain gravity (it must be punished in individual legal systems with a custodial sentence of not less than four years).

What is relevant is therefore not the occasional transnational crime, but the crime resulting from an organizational activity with stability and strategic perspective, therefore likely to be repeated over time.

With the law of ratification of the Convention of Palermo is expanded the scope of operation of D. Lgs. 231/01: the transnational crimes indicated in law 146/2006 apply, in fact, according to art. 10 of the same law, the provisions of D. Lgs. 231/01.

The law defines transnational crime as a criminal offence, punishable by imprisonment of not less than four years, involving an organised criminal group and which:

- is committed in more than one State; or
- is committed in one State, but a substantial part of its preparation, planning, management or control takes place in another State; or
- is committed in a State but involves an organised criminal group engaged in criminal activity in more than one State; or
- is committed in one State but has substantial effects in another State.

The Company shall be liable for the following offences, committed in its own interest or for the benefit of the Company, if they are transnational in nature as defined above.

Association offences

- Criminal association (Art. 416 c.p.)
- Association of mafia type (art. 416-bis c.p.)
- Association for the illicit trafficking of narcotic or psychotropic substances (Art. 74 of DPR No. 309/1990)
- Association for criminal offences aimed at smuggling foreign manufactured tobacco (Art. 291-quater DPR No. 43/1973)

This is the case where three or more persons are associated for the purpose of introducing, selling, transporting, buying or holding in the territory of the State a quantity of foreign manufactured tobacco of contraband exceeding ten kilograms. Those who promote, constitute, direct, organize or finance are punished by imprisonment from three to eight years. Those who participate are punished with imprisonment from one to six years.

- **Trafficking in migrants (Art. 12 paragraphs 3, 3-bis, 3-ter and 5 of D. Lgs. n. 286/1998)**

This type of offence is the case where an individual commits acts aimed at securing the entry of a person into the territory of the State in violation of the laws concerning the discipline of immigration, or acts intended to procure illegal entry into another State of which the person is not a citizen or has no permanent residence, or, in order to make an unfair profit from the illegality of the alien, to encourage the permanence of the foreigner. In this case you are punished with imprisonment from four to fifteen years and with the fine of 15,000 euros for each person (depending on the individual criminal hypothesis the sanctions can be increased according to the provisions of the rules mentioned).

In this case the company is subject to a fine of two hundred to one thousand shares and an interdictive penalty of up to two years. The financial penalty may therefore amount to approximately EUR 1.5 million (in particularly serious cases the penalty may be tripled).

In the event of the commission of crimes of migrant trafficking, the entity shall be subject to interdictive sanctions for a period not exceeding two years.

Obstruction of justice - Inducement not to make statements or make false statements to the judicial authority (art. 377-bis c.p.)

This hypothesis of crime occurs in the event that, a subject, with violence or threat, or with offer or promise of money or other utility, induces the person called upon to make statements before the judicial authority which may be used in criminal proceedings, when the latter has the right not to respond, not to make statements or make false statements. In that case, you are punished with imprisonment from two to six years.

- **Personal aiding and abetting (Art. 378 c.p.)**

This type of crime is the case where activities are carried out to help a person to evade investigations or to evade searches by the Authority, following the completion of a crime. In this case, imprisonment is provided for up to four years.

In these cases, the company will be fined up to five hundred shares. The financial penalty can therefore reach the sum of about 775 thousand euros. With regard to these types of crimes, there are no interdictive sanctions.

5. Crimes in the matter of "falsehoods in coins, public credit cards, stamp values and distinctive instruments or signs" and crimes against industry and commerce (art. 25-bis and 25-bis 1 of Legislative Decree no. 231/01)

Art. 25-bis

Falsehoods in coins, public credit cards, stamp values and instruments or identifying marks

1. In relation to the commission of the offences provided for by the criminal code in the field of counterfeiting of coins, public credit cards, stamp values and instruments or signs of recognition, the following financial penalties shall apply to the institution:

a) for the crime referred to in Article 453, the financial penalty of three hundred to eight hundred shares;

b) for the offences referred to in Articles 454, 460 and 461, a financial penalty of up to five hundred instalments;

c) for the offence referred to in Article 455, the financial penalties laid down in point a), in relation to Article 453, and in point b), in relation to Article 454, reduced from one third to one half;

d) for the offences referred to in the second paragraph of Articles 457 and 464, financial penalties of up to two hundred instalments;

e) for the offence referred to in Article 459, the financial penalties provided for in letters a), c) and d) reduced by one third;

f) for the offence referred to in the first paragraph of Article 464, a financial penalty of up to three hundred instalments.

f-bis) for the offences referred to in Articles 473 and 474, a financial penalty of up to five hundred instalments.

2. In cases of conviction for one of the crimes referred to in Articles 453, 454, 455, 459, 460 , 461, 473 and 474 of the Criminal Code, the interdictive sanctions provided for in Article 9, paragraph 2, for a period not exceeding one year shall apply to the body.

Art. 25-bis.1

Crimes against industry and trade

1. In relation to the commission of offences against industry and trade provided for in the Criminal Code, the following financial penalties shall apply to the institution:

a) for the offences referred to in Articles 513, 515, 516, 517, 517-ter and 517-quater the financial penalty of up to five hundred instalments;

b) for the offences referred to in Articles 513a and 514the financial penalty up to eight hundred instalments.

2. In the case of conviction for the crimes referred to in letter b) of paragraph 1, the interdictive sanctions provided for by article 9, paragraph 2)) shall apply to the institution.

We describe briefly below the cases covered by art. 25-bis of Legislative Decree no.

231/01 and, in particular, crimes in the matter of falsity of distinctive signs (art. 473 and 474 c.p.) introduced by Law 23 July 2009, n. 99, art.15, paragraph 7:

a) Falsification of coins, coins and the introduction of counterfeit coins into the State (Art. 453 c.p.)

He is punished with imprisonment from three to twelve years and with the fine from € 516,00 to € 3,098,00:

1) any person who contracts national or foreign currencies, whether or not legal tender in the State;
2) anyone altering genuine coins in any way, giving them the appearance of a higher value;
3) any person who, by not participating in counterfeiting or alteration but in consultation with the person who carried it out or with an intermediary, introduces into the territory of the State or holds or spends or otherwise puts into circulation counterfeit or altered coins;
4) any person who, for the purpose of putting them into circulation, buys or otherwise receives counterfeit or altered coins from the person who forged them or from an intermediary.

The same penalty applies to those who, legally authorized to manufacture, manufacture unduly, abusing the instruments or materials in its availability, quantities of coins in excess of the requirements.

The penalty shall be reduced by one third where the conduct referred to in the first and second subparagraphs relates to coins which are not yet legal tender and the initial period thereof is determined.

b) Alteration of coins (Art. 454 c.p.)

Any person who alters coins of the quality referred to in the preceding Article, in any way diminishing their value, or, in relation to coins thus altered, commits any of the facts referred to in Articles 3 and 4, is punished with imprisonment from one to five years and with the fine from € 103,00 to € 516,00.

c) Spending and introduction in the State, without concert, of counterfeit coins (art. 455 c.p.)

Any person, other than those referred to in the preceding two Articles, who introduces into the territory of the State, purchases or holds counterfeit or counterfeit coins with a view to putting them into circulation or spends or otherwise circulates them, is subject to the penalties laid down in those articles reduced from one third to one half.

d) Expenditure on counterfeit coins received in good faith (Art. 457 c.p.)

Anyone who spends or otherwise puts in circulation counterfeit or altered coins, received by him in good faith, is punished with imprisonment up to six months or with a fine up to € 1,032.00.

e) Falsification of stamp values, introduction into the State, purchase, possession or circulation of falsified stamp values (art. 459 c.p.)

The provisions of Articles 453, 455 and 457 shall also apply to the counterfeiting or alteration of stamp values and the introduction into the territory of the State, or the purchase, possession and circulation of counterfeit stamp values; but the penalties shall be reduced by one third. For the purposes of criminal law, stamp values shall mean stamped paper, stamps, stamps and other values equivalent to these by special laws.

f) Counterfeiting of watermarked paper used for the manufacture of public credit cards or stamps (art. 460 c.p.)

Any person who engages in the manufacture of public credit cards or stamps or buys, holds or alienates such counterfeit cards shall be punished if the fact does not constitute a more serious offence, with imprisonment from two to six years and with the fine from € 309.00 to € 1,032.00.

g) Manufacture or keeping watermarks or instruments for the falsification of coins, stamp values or watermarked paper (Art. 461 c.p.)

Any person who manufactures, purchases, holds or alienates watermarks, computer programs and data or instruments intended for the counterfeiting or alteration of coins, stamp values or watermarked paper shall be punished if the fact is no longer a serious offence, with the imprisonment from one to five years and with the fine from € 103,00 to € 516,00. The same penalty shall apply where the conduct referred to in the first subparagraph concerns holograms or other components of currency intended to ensure their protection against counterfeiting or alteration.

h) Use of counterfeit or altered stamp values (Art. 464 c.p.)

Anyone who, not being involved in the counterfeiting or alteration, makes use of counterfeit or altered stamp values is punished with imprisonment up to three years and with a fine up to € 516.

i) Infringement, alteration or use of trademarks or distinctive signs or patents, models and designs (Art. 473 c.p.)

Any person who, being aware of the existence of the industrial property right, contravenes or alters trademarks or distinctive signs, domestic or foreign, of industrial products, or anyone, without being involved in the infringement or alteration, makes use of such counterfeit or altered marks or marks, is punished with imprisonment from six months to three years and with a fine from 2,500 to 25,000 euros.

Subject to the penalty of imprisonment of one to four years and the fine of Euro 3,500 to Euro 35,000 anyone who contracts or alters patents, industrial designs, domestic or foreign, or, without being involved in the infringement or alteration, makes use of such patents, counterfeit or altered designs or models.

The offences provided for in paragraphs 1 and 2 shall be punishable provided that the rules of internal laws, Community regulations and international conventions on the protection of intellectual or industrial property have been observed.

- **Introduction into the State and trade in products with false signs (Art. 474)**

Except in the case of participation in the offences provided for in Article 473, any person who introduces into the territory of the State, for the purpose of making a profit, industrial products bearing trade marks or other distinctive signs, Domestic or foreign, counterfeit or altered is punished with imprisonment from one to four years and with a fine of € 3,500 to € 35,000.

Except in cases of involvement in counterfeiting, alteration, introduction into the territory of the State, any person who holds for sale, sells or otherwise places in circulation, in order to profit from it, the products referred to in the first paragraph shall be punished with imprisonment for up to two years and a fine of up to EUR 20000.

The offences provided for in paragraphs 1 and 2 shall be punishable provided that the rules of internal laws, Community regulations and international conventions on the protection of intellectual or industrial property have been observed.

The Law 23 July 2009, n. 99, art.15, paragraph 7 also introduced art. 25- bis I of Legislative Decree no. 231/01, rubric "Crimes against industry and trade", the individual cases of which are described below:

- **Disturbed freedom of industry or commerce (Art. 513 c.p.)**

Any person who uses violence against property or fraudulent means to prevent or disrupt the operation of an industry or trade shall be punished, on the complaint of the offended person, if

the fact does not constitute a more serious offence, with imprisonment up to two years and with a fine from 103 to 1,032 euros.

- **Unlawful competition with threat or violence (Art. 513-bis c.p.)**

Anyone who, in the course of a commercial, industrial or otherwise productive activity, commits acts of competition with violence or threat shall be punished by imprisonment for two to six years.

The penalty is increased if the acts of competition concern a financial activity in whole or in part and in any way by the State or other public bodies.

- **Fraud against national industries (Art. 514 c.p.)**

Any person, by selling or otherwise putting on the market, on domestic or foreign markets, industrial products, with counterfeit or altered names, marks or distinctive signs, causes harm to the national industry is punished with imprisonment from one to five years and with a fine of not less than 516 euros.

Where the rules of internal laws or international conventions on the protection of industrial property have been observed for trade marks or distinguishing signs, the penalty shall be increased and the provisions of Articles 473 and 474 shall not apply.

- **Fraud in the exercise of trade (Art. 515 c.p.)**

Any person who, in the course of a commercial activity, or in a shop open to the public, delivers to the purchaser a movable object for another, or a movable object, for origin, origin, quality or quantity, other than that declared or agreed upon, is punished, if the fact does not constitute a more serious crime, with the imprisonment until two years or with the fine until euro 2.065.

In the case of valuables, the penalty is imprisonment for up to three years or a fine of not less than 103 euros.

- **Sale of non-genuine food substances as genuine (art. 516 c.p.)**

Anyone selling or otherwise marketing as genuine non-genuine food substances is punished with imprisonment for up to six months or with a fine of up to € 1,032.00.

- **Sale of industrial products with false signs (Art. 517 c.p.)**

Any person who places on sale or otherwise circulates works of art or industrial products, with national or foreign names, marks or distinctive signs, capable of misleading the buyer as to the origin, origin or quality of the work or product, is punished, if the fact is not foreseen as a crime by other provision of law, with imprisonment up to two years or with a fine up to twenty thousand euros.

- **Manufacture and trade in goods manufactured by usurping industrial property titles (Art. 517-ter)**

Without prejudice to the application of Articles 473 and 474, any person who, being aware of the existence of the industrial property right, manufactures or uses industrially objects or other goods manufactured by usurping or infringing an industrial property right shall be punished, on

complaint of the offended person, with imprisonment for up to two years and with a fine of up to 20,000 euros

The same penalty shall apply to any person who, for the purpose of making a profit, brings into the territory of the State, holds for sale, sells with a direct offer to consumers or otherwise puts into circulation the goods referred to in the first paragraph.

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

The offences provided for in paragraphs 1 and 2 shall be punishable if the rules of internal laws, Community regulations and international conventions on the protection of intellectual or industrial property have been observed.

- **Counterfeiting of geographical indications or designations of origin of agri-food products (Art. 517c)**

Anyone who contravenes or otherwise alters geographical indications or designations of origin of agri-food products is punished with imprisonment for up to two years and a fine of up to 20,000 euros.

The same penalty applies to any person who, in order to make a profit, introduces into the territory of the State, holds for sale, sells with a direct offer to consumers or otherwise puts in circulation the same products with counterfeit indications or denominations.

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

The offences provided for in paragraphs 1 and 2 shall be punishable provided that the rules of domestic law have been observed, Community regulations and international conventions on the protection of geographical indications and designations of origin for agri-foodstuffs.

6. The case of corporate crimes (art. 25-ter of Legislative Decree no. 231/01)

Art. 25-ter
Corporate crimes

1. In relation to corporate offences under the Civil Code ((or other special laws)), the following financial penalties shall apply to the institution:

a) for the crime of false social communications provided for in Article 2621 of the Civil Code, the pecuniary penalty of two hundred to four hundred shares;

a-bis) for the crime of false social communications provided for by Article 2621-bis of the Civil Code, the pecuniary sanction from one hundred to two hundred shares;

b) for the crime of false social communications provided for in Article 2622 of the Civil Code, the pecuniary penalty from four hundred to six hundred shares;
c) LETTER REPEALED BY L. 27 MAY 2015, NO. 69;
d) for the contravention of false prospectus, provided for in the first paragraph of Article 2623 of the Civil Code, the financial penalty from one hundred to one hundred and thirty shares;
e) for the offence of falsehood in prospectus, provided for in the second paragraph of Article 2623 of the Civil Code, the pecuniary penalty of two hundred to three hundred and thirty shares;
f) for the contravention of falsehood in the reports or communications of the auditing companies, as provided for in the first paragraph of Article 2624 of the Civil Code, the financial penalty from one hundred to one hundred and thirty shares;
g)for the crime of falsehood in the reports or communications of the auditing companies, as provided for in the second paragraph of Article 2624 of the Civil Code, the pecuniary penalty of two hundred to four hundred shares;
h) for the crime of prevented control, provided for in the second paragraph of Article 2625 of the Civil Code, the financial penalty from one hundred to one hundred and eighty shares;
i) for the crime of fictitious formation of the capital, previewed from article 2632 of the civil code, the pecuniary sanction from hundred to hundred and eighty quotas;
l) for the wrongful repayment of the contributions, provided for in Article 2626 of the Civil Code, the financial penalty from one hundred to one hundred and eighty shares;
m) for the contravention of illegal distribution of profits and reserves, provided for in Article 2627 of the Civil Code, the financial penalty from one hundred to one hundred and thirty shares;
n) for the crime of illicit transactions on the shares or shares of the controlling company, provided for by Article 2628 of the Civil Code, the pecuniary sanction from one hundred to one hundred and eighty shares;
o) for the crime of transactions to the detriment of creditors, as provided for in Article 2629 of the Civil Code, a pecuniary penalty of one hundred and fifty to three hundred and thirty shares;
p) for the wrongful division of assets by the liquidators, provided for in Article 2633 of the Civil Code, the financial penalty of one hundred and fifty to three hundred and thirty shares;
q) for the offence of unlawful influence on the shareholders' meeting, provided for in Article 2636 of the Civil Code, the pecuniary sanction of one hundred and fifty to three hundred and thirty shares;
r) for the crime of yoking, provided for in Article 2637 of the Civil Code and for the crime of failure to communicate the conflict of interest provided for in Article 2629-bis of the Civil Code, the pecuniary sanction from two hundred to five hundred shares;
s) for offences obstructing the exercise of the functions of the public supervisory authorities, as provided for in the first and second paragraphs of Article 2638 of the Civil Code, the financial penalty of two hundred to four hundred units;
s-bis) for the crime of corruption between private individuals, in the cases provided for by the third paragraph of Article 2635 of the Civil Code, the pecuniary sanction from four hundred to six hundred shares and, in cases of incitement referred to in the first paragraph of Article 2635-bis of the Civil Code, the financial penalty of 200 to 400 instalments. The interdictive sanctions provided for in article 9, paragraph 2((;)) shall also apply

((s-ter) for the crime of false or omitted statements for the issue of the preliminary certificate provided for by the implementing legislation of Directive (EU) 2019/2121 of the European Parliament and
of 27 November 2019, the financial penalty of 150 to 300 instalments.))
3. If, as a result of the commission of the offences referred to in paragraph 1, the institution has obtained a significant profit, the financial penalty shall be increased by one third.

The individual cases referred to in D.Lgs. 231/01 in art. 25-ter are described briefly below:

- **False social communications (art. 2621 c.c.)**

The offence is committed in cases where the directors, the general managers, the managers responsible for drawing up the company's accounting documents, the auditors and the liquidators, in order to obtain for themselves or for others an unfair profit, the statutory financial statements, reports or other social communications to members or the public, knowingly expose material facts which do not correspond to the truth or omit material facts whose disclosure is required by the law on the economic, patrimonial or financial situation of the company or group to which it belongs, in a concrete way capable of misleading others.
In the case of commission of such a crime the penalty is one to five years imprisonment.
Liability may also be incurred where the falsehoods or omissions relate to assets owned or managed by the company on behalf of third parties.

- **Minor facts (Art. 2621-bis)**

A lower penalty (from six months to three years imprisonment) applies if the false social communications provided for in Article 2621 are minor, also taking into account the nature and size of the company and the modalities or effects of the conduct.
The same penalty shall also apply where the false social communications referred to in Article 2621 concern companies not exceeding the limits indicated by the second paragraph of Article 1 of Royal Decree No. 267 of 16 March 1942 (that is, companies not subject to bankruptcy). In this case, the crime can be prosecuted by the company, shareholders, creditors or other recipients of the social communication.

- **False social communications of listed companies (Art. 2622 c.c.)**

The offence occurs in cases where the directors, the general managers, the managers responsible for drawing up the company's accounting documents, statutory auditors and liquidators of issuers of financial instruments admitted to trading on an Italian or other regulated market in order to obtain for themselves or for others an unfair profit, in financial statements, reports or other social communications to members or the public knowingly expose material facts which do not correspond to the truth or omit material facts which are required by the Economic Situation Act, assets or financial assets of the company or group to which it belongs, in a way that is concretely capable of misleading others.
In the case of commission of such crime the penalty is imprisonment from three to eight years.
The following shall be treated in the same way as issuers of financial instruments admitted to trading on an Italian or other regulated market:

1. issuers of financial instruments for which a request for admission to trading on an Italian or other regulated market has been submitted;
2. financial instruments issuers admitted to trading on an Italian MTF;
3. companies that control issuers of financial instruments admitted to trading on an Italian regulated market or in another European Union country;
4. companies that make use of or otherwise manage public savings.

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

- **Control prevented (art. 2625 c.c.)[2]**

The offence consists in preventing or hindering, by concealing documents or other appropriate devices, the carrying out of the control or auditing activities legally attributed to the members, to other corporate bodies, or to the auditing companies.

- **Undue repayment of contributions (Art. 2626 c.c.)**

The typical behavior foresees, out of the cases of legitimate reduction of the share capital, the restitution, even simulated, of the contributions to the members or the liberation of the same from the obligation to execute them.

- **Unlawful allocation of profits or reserves (Art. 2627 c.c.)**

This criminal behaviour consists in allocating profits or advances on profits not actually earned or allocated by law to reserves, or allocating reserves, even if not constituted with profits, which cannot be distributed by law.

It should be noted that the return of profits or the replenishment of reserves before the deadline for approving the budget extinguishes the crime.

- **Illicit transactions in shares or shares or the parent company (Art. 2628 c.c.)**

This crime is completed by the purchase or subscription of shares or shares of the controlling company, which causes an injury to the integrity of the share capital or reserves not distributable by law.

Please note that if the share capital or reserves are replenished before the deadline for the approval of the financial statements for the financial year for which the conduct was conducted, the offence is extinguished.

- **Transactions detrimental to creditors (Art. 2629 c.c.)**

This is done by making, in violation of the provisions of law to protect creditors, reductions in share capital or mergers with other companies or divisions, which cause damage to creditors.

It should be noted that compensation to creditors before judgment extinguishes the offence.

- **Failure to communicate the conflict of interest (Art. 2629-bis c.c.)**

The case occurs when the director or the member of the management board of a company with securities listed on regulated markets in Italy or other State of the European Union or

[2] Amended by art. 37, paragraph 35, of Legislative Decree no. 27 January 2010, which excludes the revision from the list of activities of which the rule sanctions the impediment by the directors.

disseminated among the public to a significant extent pursuant to Article 116 of the text the only one referred to in the legislative decree of 24 February 1998, n. 58, and subsequent amendments, or of a subject subject subject to supervision pursuant to the single text referred to in Legislative Decree no. 385 of 1 September 1993 of the aforementioned single text referred to in Legislative Decree no. 58 of 1998 of 12 August 1982, n. 576, or Legislative Decree no. 124 of 21 April 1993, does not inform the other directors and the Board of Statutory Auditors of any interest they may have in a given transaction of the company, specifying its nature, terms, origin and scope.
It should be noted that if the conflict of interest concerns the CEO, he must also refrain from carrying out the operation, involving the collegiate body.

- **Fictitious formation of capital (Art. 2632 c.c.)**

This hypothesis occurs when: the capital of the company is formed or artificially increased by the allocation of shares or units for a sum less than their nominal value; reciprocally subscribed shares or units; the contributions of assets in kind, receivables or assets of the company, in the event of conversion, are significantly overestimated.

- **Undue distribution of assets by the liquidators (Art. 2633 c.c.)**

The crime is completed by the distribution of social assets among the members before the payment of social creditors or the provision of the sums necessary to satisfy them, which causes damage to the creditors.
It should be noted that compensation to creditors before judgment extinguishes the offence.

- **Corruption between private individuals (Art. 2635 c. 3 c.c.)**

The crime punishes those who, even by interposed person, offers, promises or gives money or other benefits not due to directors, general managers, managers responsible for the preparation of corporate accounting documents, auditors, liquidators, who, within the Institution, exercises managerial functions other than those of the above mentioned subjects or subjects subject to the management or supervision of the same, so that they carry out or omit acts in breach of their duties or obligations of loyalty, unless the conduct no longer constitutes a serious offence.
The penalty is one to three years imprisonment and the offence is prosecutable ex officio.

- **Incitement to private corruption (Art. 2635-bis c.c.)**

The offence punishes anyone who offers or promises money or other benefits not due to certain categories of persons operating within companies or entities (directors, general managers, managers responsible for the preparation of company accounting documents, auditors, liquidators, as well as those who carry out an activity in private companies with the exercise of managerial functions) to perform or to omit an act in breach of their duties or obligations of loyalty, if the offer or promise is not accepted.

- **Unlawful influence on the shareholders' meeting (art. 2636 c.c.)**

The typical behaviour is to determine, by means of simulated acts or fraud, the majority in the assembly in order to obtain, for themselves or for others, an unjust profit.

- **Augmentation (art. 2637 c.c.)**

This is the case when false information is spread or when simulated operations or other artifices take place, concretely capable of causing an appreciable alteration in the price of unlisted financial instruments or for which a request for admission to trading on a regulated market has not been submitted, or significantly affect public confidence in the capital stability of banks or banking groups.

- **Obstacle to the exercise of the functions of the public supervisory authorities (art. 2638 paragraphs 1 and 2 c.c.)**

Criminal conduct is carried out by exposing in communications to the supervisory authorities provided for by law, in order to obstruct their functions, material facts which do not correspond to the truth, even though they are subject to assessments, on the economic situation, the assets or financial position of the supervised entities, or by concealment by other fraudulent means, in whole or in part, of facts which should have been disclosed concerning the situation itself.

- **False or omitted declarations for the issue of the preliminary certificate**

This is the case when - in the event of changes, cross-border mergers and divisions involving one or more Italian companies with share capital and one or more companies with share capital of another Member State which have their head office or central administration or principal place of business established in the territory of the European Union - in order to make it appear that the conditions for the issue of the preliminary certificate have been met, all or part of the documents have been forged, genuine documents have been altered, false declarations have been made or relevant information omitted.

7. The cases of crimes of terrorism and subversion of the democratic order (Art. 25-quater of Legislative Decree No. 231/01)

Art. 25-quater

Crimes for the purpose of terrorism or subversion of the democratic order

((1. In relation to the commission of crimes aimed at terrorism or subversion of democratic order, provided for by the criminal code and special laws, the following financial penalties shall apply to the entity:

a) if the offence is punishable by a penalty of imprisonment of less than 10 years, the pecuniary penalty of two hundred to seven hundred shares;

b) if the crime is punished with the penalty of imprisonment not less than ten years or with life imprisonment, the pecuniary sanction from four hundred to one thousand shares.

1. In cases of conviction for one of the crimes referred to in paragraph 1, the interdictive sanctions provided for in Article 9, paragraph 2, shall apply for a period of not less than one year.

2. If the institution or an organisational unit is permanently used for the sole or overriding purpose of allowing or facilitating the commission of the offences referred to in paragraph 1, the sanction of the definitive prohibition from the exercise of the activity pursuant to article 16, paragraph 3 is applied.

3. The provisions of paragraphs 1, 2 and 3 shall also apply in relation to the commission of crimes, other than those referred to in paragraph 1, have been in breach of Article 2 of the International Convention for the Suppression of the Financing of Terrorism, made in New York on 9 December 1999.))

We describe briefly below the main cases referred to by D.Lgs. 231/01 art. 25- quater.

- **Subversive associations (Art. 270 c.p.)**

This rule punishes anyone who promotes, constitutes, organizes, directs direct associations and is able to violently subvert the economic or social systems established in the State or to violently suppress the political and legal order of the State.

- **Associations with the purpose of international terrorism or subversion of the democratic order (art. 270-bis c.p.)**

This rule punishes anyone who promotes, constitutes, organizes, directs or finances associations that propose the carrying out of acts of violence with the purpose of terrorism or subversion of the democratic order.

For the purposes of criminal law, the aim of terrorism also occurs when acts of violence are directed against a foreign State, an institution or an international body.

- **Assistance to members (Art. 270-ter c.p.)**

The rule in question sanctions anyone who provides shelter or food, hospitality, means of transport, means of communication to some of the persons participating in the associations indicated in previous Articles 270 and 270-bis.

It is not punishable who commits the fact in favor of a next joint.

- **Enlistment for international terrorism purposes (Art. 270-quater c.p.)**

Any person other than those referred to in Article 270-bis above shall enlist one or more persons to carry out acts of violence or sabotage of essential public services for the purpose of terrorism, even if directed against a foreign State, an international institution or body, shall be punished by imprisonment from seven to fifteen years.

- **Training in activities for international terrorism purposes (Art. 270-quinquies c.p.)**

Any person, other than in the cases referred to in Article 270-bis described above, who trains or otherwise gives instructions on the preparation or use of explosive materials, firearms or other weapons, harmful or dangerous chemical or bacteriological substances, as well as any other technique or method for carrying out acts of violence or sabotage of essential public services, with the purpose of terrorism, even if directed against a foreign State, an international institution

or body, is punished with imprisonment from five to ten years. The same penalty applies to the trained person.

- **Conducted for the purpose of terrorism (Art. 270-sexies c.p.)**

Acts which, by their nature or context, may cause serious harm to a country or an international organisation and are carried out with the aim of intimidating the population or forcing the public authorities or an international organisation to carry out or refrain from any act or destabilise or destroying fundamental political structures, constitutional, economic and social of a country or an international organization, as well as other conduct defined as terrorist or committed for the purpose of terrorism by conventions or other rules of international law binding on Italy.

- **Terrorist or subversive attack (Art. 280 c.p.)**

Anyone who, for the purpose of terrorism or subversion of the democratic order, is attentive to the life or safety of a person shall be punished under this rule.

The offence is aggravated if, the facts give rise to a very serious injury or death of the person or in the event that the act is directed against persons exercising judicial or penitentiary or public security functions in the exercise of or because of their duties.

- **Act of terrorism with deadly or explosive devices (Art. 280-bis c.p.)**

Unless the fact constitutes a more serious crime, any person for the purpose of terrorism carries out any act aimed at damaging the mobile or immovable property of others, through the use of explosive or otherwise deadly devices, is punished with imprisonment from two to five years. Explosive or otherwise deadly devices are weapons and similar materials referred to in Article 585 of the Penal Code and capable of causing significant material damage.

If the fact is directed against the seat of the Presidency of the Republic, of the Legislative Assemblies, of the Constitutional Court, of the organs of the Government or in any case of organs provided by the Constitution or constitutional laws, the penalty is increased up to half.

If there is a danger to public safety or a serious damage to the national economy, imprisonment of five to ten years shall apply.

- **Acts of nuclear terrorism (Art. 280-ter c.p.)**

Any person shall be punished under this rule for the purpose of terrorism:

- procures to itself or to other radioactive matter;

- create or otherwise acquire a nuclear device.

Any person who uses radioactive material or a nuclear device or uses or damages a nuclear installation in such a way as to release or with a real danger of releasing radioactive material shall also be punished.

- **Kidnapping for the purpose of terrorism or subversion (Art. 289-bis c.p.)**

This criminal behaviour is carried out by kidnapping a person for the purpose of terrorism or subversion of the democratic order.

The crime is aggravated by the death, intentional or unintended, of the kidnapped.

- **Incitement to commit one of the crimes against the personality of the State (Art. 302 c.p.)**

The rule provides that anyone who incites someone to commit one of the crimes not committed by negligence provided for in the title of the Penal Code dedicated to crimes against the personality of the State, for which the law establishes life imprisonment or imprisonment, is punished, if the instigation is not accepted, or if the instigation is accepted but the crime is not committed, with the imprisonment from one to eight years.

- **Political conspiracy by agreement and political conspiracy by association (art. 304 and 305 c.p.)**

These rules punish the conduct of those who agree or associate in order to commit one of the crimes referred to in the previous paragraph (art. 302 c.p.).

- **Armed gang and training and participation; assistance to participants in conspiracy or armed gang (art. 306 and 307.c.p.)**

Such crimes occur when, to commit one of the crimes indicated in article 302 of Cod. Pen. above, an armed gang is formed or shelter or provide food, hospitality, means of transport, communication tools to some of the people participating in the association or gang indicated.

- **Terrorist offences provided for by special laws: they consist of all that part of Italian legislation, issued in the 70s and 80s, aimed at combating terrorism**
- **Offences, other than those indicated in the Penal Code and special laws, carried out in violation of art. Article 2 of the New York Convention of 8 December 1999**

Pursuant to that Article, any person commits an offence by any means, directly or indirectly, unlawfully and intentionally, by providing or collecting funds with the intent to use them or knowing that they are intended to be used, in whole or in part, in order to accomplish:

a. an act constituting an offence as defined in one of the Treaties listed in the Annex; or
b. any other act intended to cause death or serious physical injury to a civilian or any other person who has no active part in situations of armed conflict, where the purpose of that act, by its nature or context, is to intimidate a population, or oblige a government or an international organisation to do or refrain from doing anything.

For an act to constitute one of these offences, it is not necessary that the funds are actually used to carry out what is described in (a) and (b).

Any person who attempts to commit the offences referred to above is also committing an offence. Any person who:

- take part as an accomplice in the execution of an offence referred to above;
- organise or direct other persons in order to commit an offence referred to above;
- contribute to the fulfilment of one or more of the above offences by a group of persons acting for a common purpose. This contribution shall be intentional and:

- must be performed in order to facilitate the criminal activity or purpose of the group, where such activity or purpose involves the commission of the crime; or
- must be provided with full knowledge that the intent of the group is to commit an offence.

Among the complementary criminal activities of terrorist offences, those that could easily be carried out are the conduct consisting in "financing" (see art. 270-bis c.p.).

In order to be able to say whether or not the risk of commission of this type of crime can be identified, it is necessary to examine the subjective profile required by the rule for the purposes of the configurability of the crime.

From the point of view of the subjective element, terrorist offences constitute criminal offences. Therefore, in order for the criminal act to be carried out, it is necessary, from the point of view of the psychological representation of the agent, that the same is aware of the anti-juridical event and wants to achieve it through a conduct attributable to him. Therefore, in order for the offences in question to be classified, the agent must be aware of the terrorist nature of the activity and have the intention of promoting it.

That said, because it constitutes criminal conduct supplementing the crime of terrorism, It is necessary for the agent to be aware that the association to which he grants the financing has the aim of terrorism or subversion and that it has the intention of encouraging its activity.

Moreover, it would also be possible to improve the criminal case even if the subject acted as a possible fraud. In this case, the agent should foresee and accept the risk of the occurrence of the event, even if he does not want it directly. The prediction of the risk of the occurrence of the event and the voluntary determination to adopt criminal conduct must be based on clear and objective elements.

8. The cases of offences relating to the practices of female genital mutilation and crimes against individual personality (Art. 25-quater. 1 and 25-quinquies of Legislative Decree No. 231/01)

Art. 25-quarter.1

Practices of female genital mutilation

1. In relation to the commission of the offences referred to in Article 583-bis of the Criminal Code, the financial penalty of 300 to 700 instalments and the interdictive sanctions provided for in Article 9 shall apply to the body in whose structure the offence is committed, for a period of not

less than one year. In the case of an accredited private body, accreditation shall also be withdrawn.

2. If the institution or one of its organisational units is permanently used for the sole or overriding purpose of allowing or facilitating the commission of the offences referred to in paragraph 1, the sanction of the definitive prohibition from the exercise of the activity pursuant to Article 16 shall apply, paragraph 3.

Art. 25-quinquies

Crimes against the individual personality

1. In relation to the commission of the offences provided for in Section I of Chapter III of Title XII of Book II of the Criminal Code, the following financial penalties shall apply to the institution:

a) for the offences referred to in Articles 600, 601 ((,602 and 603-bis)), the financial penalty shall be reduced from four hundred to one thousand instalments;

b) for the crimes referred to in Articles 600-bis, first paragraph, 600-ter, first and second paragraphs, even if they relate to pornographic material referred to in Article 600-quater.1, and 600-quinquies, the financial penalty of three hundred to eight hundred shares;

c) for the crimes referred to in Articles 600-bis, second paragraph, 600-ter, third and fourth paragraphs, and 600-quater, even if they relate to the pornographic material referred to in Article 600-quater.1, and for the crime referred to in Article 609-The Court of First Instance held that the Court of First Instance had jurisdiction in the matter.

2. In cases of conviction for one of the crimes referred to in paragraph 1, letters a) and b), the interdictive sanctions provided for in Article 9, paragraph 2, shall apply for a period of not less than one year.

3. If the institution or one of its organisational units is permanently used for the sole or overriding purpose of allowing or facilitating the commission of the offences referred to in paragraph 1, the penalty of definitive prohibition from the exercise of the activity pursuant to Article 16 shall apply, paragraph 3.

We describe briefly below the main cases referred to by D.lgs. 231/01 art. 25-quinquies and art.

- **Reduction or maintenance in slavery or servitude (art. 600 c.p.)**

Any person exercising on a person powers corresponding to those of the property right or any person reducing or maintaining a person in a state of continuous subjection, forcing her to work or sexual services or begging or in any case to carry out illegal activities that involve the exploitation or to undergo the removal of organs, is punished with imprisonment from eight to twenty years.

The reduction or maintenance in the state of subjection takes place when the conduct is carried out by means of violence, threat, deception, abuse of authority or taking advantage of a situation of vulnerability, physical or mental inferiority or a situation of necessity, or by the promise or the giving of sums of money or other benefits to those who have authority over the person.

- **Child prostitution (Art. 600-bis c.p.)**

Anyone who leads a person under the age of eighteen to prostitution or who promotes or exploits prostitution is punished with imprisonment from six to twelve years and with a fine of 15,000 to 150,000 euros.

Unless this is a more serious offence, any person who commits sexual acts with a child between the ages of 14 and 18, in exchange for money or other economic benefit, shall be punished by imprisonment of one to six years and a fine of EUR 1500 to EUR 6000.

- **Child pornography (Art. 600-ter c.p.)**

Anyone, using under eighteen years, makes pornographic performances or produces pornographic material or induces minors of eighteen years to participate in pornographic performances is punished with imprisonment from six to twelve years and with a fine from 24,000 to 240,000 euros.

The same penalty shall apply to any person who sells the pornographic material referred to in the first paragraph.

Any person, other than those referred to in the first and second subparagraphs, by any means, including electronic means, who distributes, disseminates, disseminates or advertises the pornographic material referred to in the first subparagraph, or distributes or disseminates news or information aimed at the solicitation or sexual exploitation of minors of the eighteenth years, is punished with imprisonment from one to five years and with a fine from € 2,582 to € 51,645.

Anyone who, outside the hypotheses referred to in the first, second and third paragraphs, offers or gives to others, even free of charge, the pornographic material referred to in the first paragraph, is punished with imprisonment for up to three years and with a fine of 1,549 euros to 5,164.

In the cases provided for in the third and fourth subparagraphs, the penalty shall be increased by not more than two thirds where the material is large.

Unless this is a more serious offence, any person attending pornographic performances or shows in which children under the age of 18 are involved is liable to imprisonment of up to three years and a fine of EUR 1500 to EUR 6000.

For the purposes of this Article, child pornography means any representation by any means of a child under the age of 18 who is involved in explicit sexual activities, real or simulated, or any representation of the sexual organs of a child under eighteen years old for sexual purposes.

- **Possession of pornographic material (Art. 600-quater c.p.)**

Anyone who, outside the hypotheses provided for in Article 600-ter, knowingly procures or holds pornographic material made using minors of the eighteenth years, is punished with imprisonment up to three years and with a fine of not less than 1,549 euros.

The penalty is increased by not more than two thirds if the material held is large.

Except in the cases referred to in the first subparagraph, any person using the Internet or other networks or means of communication access intentionally and without justified reason to pornographic material made using children under eighteen years is punished with imprisonment up to two years and with a fine of not less than 1,000 euros.

- **Virtual pornography (Art. 600-quater 1 c.p.)**

The provisions of Articles 600-ter and 600-quater shall also apply where the pornographic material represents virtual images made using images of minors from the eighteenth years or parts thereof, but the penalty is reduced by one third.

Virtual images are images made with graphic processing techniques not associated in whole or in part with real situations, whose quality of representation makes appear as real situations not real.

- **Tourism initiatives aimed at the exploitation of child prostitution (Art. 600-quinquies c.p.)**

Anyone who organizes or propaganda trips aimed at the use of prostitution activities to the detriment of minors or in any case including such activity is punished with imprisonment from six to twelve years and with a fine from 15,493 to 154,937 euros.

- **Solicitation of minors (Art. 609-undecies c.p.)**

Anyone, for the purpose of committing the offences referred to in articles 600, 600-bis, 600-ter and 600-quater, even if related to pornographic material referred to in art. 600-quater.1, 600-quinquies, 609-bis, 609-quater, 609-quinquies and 609-octies, entices a minor of sixteen years, is punished, if the fact does not constitute more serious offense, with imprisonment from one to three years.

Solicitation means any act aimed at gaining the trust of the child through artifice, flattery or threats, also through the use of the Internet or other networks or means of communication.

The penalty is increased:

1) where the offence is committed by more than one person;

2) if the offence is committed by a person who is part of a criminal association and in order to facilitate its activity;

3) where serious injury is caused to the child as a result of repeated conduct;

4) if the child is in danger of death.

- **Trafficking in persons (Art. 601 c.p.)**

Any person who commits the offence is subject to the conditions laid down in Article 600 or, in order to commit the offences referred to in that Article, induces him by deception or coerces him by violence, threat, abuse of authority or of a situation of physical or mental inferiority or a situation of necessity, or by the promise or payment of sums of money or other advantages to the person who has authority over it, to enter or to stay or to leave the territory of the State or to move within it, is punished with imprisonment from eight to twenty years.

- **Trafficking in organs taken from living persons (Art. 601-bis)**

Anyone who illicitly trades, sells, buys or, in any way and for any reason, procures or processes organs or parts of organs taken from a living person is punished with imprisonment from three to twelve years and with a fine from € 50,000 to € 300,000.

Anyone who mediates in the donation of living organs in order to gain an economic advantage is punished with imprisonment from three to eight years and with a fine of € 50,000 to € 300,000.

If the facts referred to in the preceding sub-paragraphs are committed by a person practising a health profession, the conviction shall be subject to the perpetual prohibition of the practice of the profession.

Unless this is a more serious offence, he shall be punished by imprisonment of three to seven years and by a fine of Euro 50,000 to Euro 300,000 anyone who organises or propaganda travel or advertises or disseminates, by any means, including by computer or electronic means, announcements aimed at trafficking in organs or parts of organs referred to in the first subparagraph.

- **Purchase and sale of slaves (Art. 602 c.p.)**

Any person, other than those referred to in Article 601, who acquires or disposes of a person who is in one of the conditions set out in Article 600 shall be liable to imprisonment for eight to twenty years.

- **Illicit mediation and exploitation of labour (Art. 603-bis c.p.)**

Unless it is a more serious offence, it is punishable by imprisonment of one to six years and a fine of 500 to 1,000 euros for each worker recruited, any person:

1. recruits manpower for the purpose of assigning it to work with third parties in conditions of exploitation, taking advantage of the workers' state of need;
2. uses, hires or employs labour, also through the activity of intermediation referred to in number 1), subjecting the workers to conditions of exploitation and taking advantage of their state of need.

If the facts are committed by violence or threat, the penalty of imprisonment from five to eight years and the fine of 1,000 to 2,000 euros for each worker recruited applies.

For the purposes of this Article, the existence of one or more of the following conditions shall constitute an indication of exploitation:

1. the recurrent payment of wages which is clearly different from national or local collective agreements concluded by the most representative trade union organisations at national level, or otherwise disproportionate to the quantity and quality of the work performed;
2. the repeated infringement of the rules on working time, rest periods, weekly rest periods, compulsory leave and holidays;
3. the existence of infringements of safety and hygiene rules in the workplace;
4. the worker's subjection to working conditions, surveillance methods or degrading housing situations.
5. They constitute specific aggravating circumstance and involve the increase of the sentence from a third to the half:
    a. the fact that more than three workers are recruited;
    b. the fact that one or more of the persons recruited are minors of non-working age;
    c. having committed the act by exposing the exploited workers to situations of serious danger, having regard to the characteristics of the services to be performed and the working conditions.

- **Mutilation of female genital organs (art. 583 bis c.p.)**

Anyone who, in the absence of therapeutic needs, causes female genital mutilation is punished by imprisonment for four to twelve years. For the purposes of this Article, clitoridectomy, excision and infibulation and any other practice causing effects of the same kind shall be understood as female genital mutilation practices. Any person who, in the absence of therapeutic needs, causes, in order to impair sexual functions, injuries to the female genital organs other than those referred to in the first paragraph, resulting in a disease in the body or mind, shall be punished by imprisonment of three to seven years.

The penalty is reduced to two thirds if the injury is minor.

The penalty shall be increased by one third where the practices referred to in the first and second subparagraphs are committed to the detriment of a child or if the fact is committed for profit. The provisions of this article shall also apply when the act is committed abroad by an Italian national or by a foreigner resident in Italy, or to the detriment of an Italian national or a foreigner resident in Italy. In this case, the guilty party is punished at the request of the Minister of Justice.

As regards crimes related to slavery, such cases of crime extend not only to the person who directly carries out the unlawful act, but also to those who knowingly facilitates even only financially the same conduct.

The relevant conduct in these cases may be the illegal procurement of labour through the smuggling of migrants and the slave trade.

9. *The case of crimes and administrative offences of market abuse (Art. 25e of Legislative Decree No. 231/2001*

9.1 Administrative offences and offences

The offences and the administrative offence of market abuse are regulated by the new Title I-bis, Chapter II, Part V of Legislative Decree No. 58 of 24 February 1998 (Consolidated Text of Finance, "TUF") rubricato "Abuse of inside information and market manipulation".

According to the new regulations, in fact, the institution can be considered responsible is if crimes of insider information abuse (art. 184 TUF) or market manipulation (art. 185 TUF) are committed in its interest or for its benefit whether the same conduct does not integrate criminal offences but simple administrative offences (respectively art. 187 - bis TUF for insider dealing and 187 - ter TUF for market manipulation).

Art. 25-sexies

Market abuse

(1. In relation to the offences of insider dealing and market manipulation provided for in Chapter II of Title I-bis of Part V, of the single text referred to in the Legislative Decree of 24 February 1998, n. 58, the financial penalty from four hundred to one thousand shares applies to the institution.

2. If, as a result of the commission of the crimes referred to in paragraph 1, the product or profit achieved by the institution is significant, the penalty is increased up to ten times that product or profit).

In the event that the unlawful conduct complements the details of the offense the liability of the institution will be based in art 25-sexies of Legislative Decree. 231/01; in the event that, on the contrary, the offense is to be classified as administrative the entity will be responsible pursuant to art. 187- d ALL Offences:

- **Insider dealing (Art. 184 TUF)**

Any person who, having acquired inside information directly in order to be a member of the administrative, management or control bodies of an offeree company, or to be a member of an offeree company, shall be guilty of insider dealing or to have learned such information during and because of a private or public employment:

- purchases, sells or carries out other transactions, directly or indirectly, on own account or on behalf of third parties, in financial instruments using the inside information acquired in the manner described above;
- disclose such information to others, outside the normal course of business, profession, function or office (irrespective of whether those receiving such information use it to

carry out operations) or a market survey carried out pursuant to Article 11 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014. ;
- recommends or induces others, on the basis of the inside information in their possession, to carry out any of the transactions referred to in point 1.

- **Market manipulation (Art. 185 TUF)**

Commits the crime of market manipulation anyone who spreads false news (c.d information manipulation) or puts in place simulated transactions or other artifices concretely suitable to cause a significant alteration of the price of financial instruments (c.d. negotiation manipulation).

With regard to the dissemination of false or misleading information, in addition, that this type of market manipulation also includes cases where the creation of a misleading indication results from non-compliance with the reporting obligations by the issuer or other obliged entities.

Examples:

The General Manager of the company disseminates false communications about corporate events (for example about the existence of ongoing restructuring projects) or about the situation of the company with the aim of influencing the prices of listed securities (information manipulation).

The Head of Finance issues orders for the sale of one or more specific financial instruments or derivative contracts close to the end of trading in order to alter the final price (negotiation).

With reference to the example cases reported, moreover, it is underlined that the responsibility of the institution is configurable only in the event that such behaviours have been carried out in its interest or for its benefit by persons holding representative functions, the management or management of the institution itself or of one of its organisational units with financial and functional autonomy, as well as persons exercising, including de facto, the management and control thereof, or persons under the direction or supervision of one of the above mentioned persons.

The administrative offences shall:

- **Insider dealing (Art. 187-bis TUF)**

Commits an administrative offence of insider dealing (without prejudice to criminal penalties where the offence constitutes a criminal offence) any person who violates the prohibition of insider dealing and unlawful disclosure of inside information pursuant to Article 14 of Regulation (EU) No. 596/2014 (the "MAR Regulation").

The case subject to this article is largely the criminal case governed by art. 184 TUF, differing from the latter mainly by the absence of wilful misconduct in unlawful conduct (necessary condition, on the contrary, so that we can speak of a crime of insider dealing). In order to supplement the administrative offence of insider dealing, it is sufficient for the conduct to be of a culpable nature, thus failing to identify the actual intention of the offender.

Finally, it should be noted that for the cases provided for in the article in question, the attempt is equivalent to consumption.

Example:

The Merger & Acquisition Manager negligently (lightly) induces others to carry out transactions in financial instruments on the basis of inside information acquired in the exercise of its function.

- **Market manipulation (Art. 187-ter TUF)**

The case provided for by art. 187-ter TUF punishes (except for criminal sanctions when the fact constitutes a crime) anyone who violates the prohibition of market manipulation referred to in Article 15 of the MAR Regulation with the pecuniary administrative sanction from twenty thousand euros to five million.

Example:

The Investor Relations Manager disseminates false or misleading information in the press with the intention of moving the price of a security or an underlying asset towards a direction that favours the open position on that financial instrument or asset or favours an operation already planned by the disseminating entity.

9.2. The concept of Inside Information

The concept of inside information is the fulcrum around which the entire discipline on insider trading and that concerning corporate information regulated in Title III, Chapter I, art. 114 and following of the TUF and in Consob Regulation no. 11971/1999 (hereinafter the "Issuers Regulation").

According to the provisions of art. 7 MAR (referred to in art. 180, paragraph 1, lett. b-ter), of the TUF), information is to be considered privileged information (hereinafter the "Inside Information"):

- **of a precise nature:** means information relating to circumstances or events existing or occurring or to circumstances or events reasonably expected to occur or to occur; it must also be sufficiently explicit and detailed information, so that those who use it are in a position to assume that certain effects on the price of the financial instruments may actually occur from use, in so far as, where appropriate, the "progressive training";
- **not yet made public:** that is, information not yet made available to the market, for example through publication on websites or in newspapers or through communications to the Supervisory Authority;
- **concerning, directly or indirectly, one or more issuers of financial instruments or one or more financial instruments**: a so-called "corporate information"information relating to the financial position or organisational events of the issuer or a so-called "market information", that is information relating to the events of one or more financial instruments.
- **which, if made public, could have a significant impact on the prices of those financial instruments or on the prices of related financial derivative instruments**: that

is, information that would presumably be a reasonable investor (average investor) would use as one of the elements on which to base their investment decisions.

Finally, it should be stressed that, in order to be able to speak of inside information, it is necessary that all the characteristics described above are understood, since the absence of only one of them is sufficient to deprive the information of its privileged character.

9.3. The information requirements

The transposition of Community legislation on market abuse has brought significant innovations to the information system for listed companies.
CONSOB has amended the Issuers' Regulations by laying down new rules concerning:

- the disclosure to the public of information relating to transactions in financial instruments carried out by "persons performing administrative, supervisory or management functions, as well as by relevant persons and persons closely related to them". Here is a summary of the information requirements pursuant to art. 114 TUF for the following subjects:
- listed issuers and their controlling entities;
- members of the administrative and supervisory bodies;
- managers;
- persons holding a significant interest pursuant to art. 120 TUF (that is, on the one hand, those who hold more than two per cent of the capital of a company with listed shares and, on the other, listed companies that hold more than ten per cent of the capital of a company with unquoted shares);
- parties to an agreement under Art. 122 TUF (that is to say a shareholders' agreement with the object of exercising the right to vote in companies with listed shares and in the companies that control them);
- persons closely related to the relevant persons shall mean:
  - the spouse who is not legally separated, the dependent children, including the children of the spouse, and, if they have lived together for at least one year, the parents, relatives and relatives of the relevant persons;
  - legal persons, partnerships and trusts in which a relevant person or one of the above mentioned persons holds, alone or jointly, the management function;
  - legal persons, controlled directly or indirectly by a relevant person or by one of the persons mentioned in the first point;
  - partnerships whose economic interests are substantially equivalent to those of a relevant person or of one of the persons mentioned in the first point;
  - trusts established for the benefit of a relevant entity or one of the natural persons mentioned in the first point;

- the new rules on public disclosure of information relating to transactions in financial instruments by relevant entities provide that:
- persons who perform administrative, supervisory or management functions in a listed issuer or in a relevant subsidiary, the managers of the issuer or a relevant subsidiary, who have regular access to the Inside Information pursuant to art. 181 TUF and have the power to adopt management decisions that may affect the evolution and future prospects of the listed issuer, must communicate to CONSOB and publish the transactions on shares and related financial instruments, carried out by themselves (and closely related persons) by the end of the 15th day of the month following that in which the operation was carried out. The listed issuer will therefore be required to communicate, by the end of the open market day following that of their receipt, information to the public (Art. 152-octies paragraph 1, 2,3, Issuers Regulations);
- entities holding at least 10 per cent of the share capital and any other entity controlling the listed issuer, voting rights of the listed issuer must communicate any relevant transactions pursuant to the provisions on internal dealing to CONSOB and then communicate the information to the public by the end of the 15th day of the month following that in which the operation was carried out. They may, however, delegate the issuer to the public. The listed issuer will therefore be required to communicate the information to the public by the end of the open market day following that of its receipt.

The Issuers Regulation extends the aforementioned obligations to the purchase, sale, subscription or exchange of shares or financial instruments linked to the shares (art. 152-septies paragraph 2).

The following transactions carried out by relevant persons and closely related persons shall be exempt from disclosure:

- transactions the total amount of which does not reach the twenty thousand euro by the end of the year; after each communication are not reported transactions whose total amount does not reach the equivalent of additional
- twenty thousand euro by the end of the year; for related derivative financial instruments the amount is calculated with reference to the underlying shares;
- operations carried out between the relevant person and persons closely related to him;
- transactions by the same listed issuer and its subsidiaries;
- transactions carried out by a credit institution or an investment firm contributing to the establishment of the trading book of that institution or undertaking, as defined in Article 4, paragraph 1, paragraph 86, of Regulation (EU) No 575/2013, provided that the same entity:
  - keep organisational separation from the treasury and the structures that manage strategic holdings, trading and market making structures;
  - is able to identify the shares held for the purposes of trading and/or market making, by means of methods that can be subject to verification by Consob, or by holding them in a separate account;
  - and, if operating as a market maker,
  - is authorised by the home Member State in accordance with Directive 2014/65/EU to carry out market making activities;

- provide CONSOB with the market making agreement with the market operator and/or with the issuer, if required by law and by the relevant implementing provisions, in force in the EU Member State where the market maker carries out its activities;
- notifies Consob that it intends to carry out or carries out market making activities on the shares of a listed issuer, using the TR-2 model contained in Annex 4; the market maker must also notify CONSOB without delay of the cessation of the market making activity on the same shares.

- **Public disclosure of inside information**

The new rules on the disclosure of Inside Information provide that:
- The communication obligations provided for by art. 114 TUF paid by listed issuers and the subjects that control them (hereinafter referred to as "Obliged Entities") concerning Inside Information that directly concerns the issuer and its subsidiaries, are complied with when the occurrence of a complex of circumstances or an event "although not yet formalized", the public has been informed without delay (Art. 17 MAR).

The publication of this information shall be carried out by means of a specific communication circulated in the manner indicated in Chapter I in relation to the dissemination of regulated information.
The issuer must also publish the statement on its website, where available, and keep it on it for at least five years (art. 17, MAR Regulation).
Listed issuers shall make the necessary arrangements to ensure that subsidiaries provide all the information necessary to comply with the reporting obligations laid down by law. The subsidiaries shall promptly transmit the required information.
Inside Information and the marketing of the activities of Obliged Parties must not be combined with each other in order to be misleading (art. 17 MAR)

Obliged Persons must give full notice to the public of those Inside Information which, intentionally or unintentionally, they have transmitted in the exercise of their work, profession, function or office, to third parties not subject to any obligation of confidentiality (Art. 17 paragraph 8, MAR).
In addition, where, as a result of the disclosure of information concerning the financial position of financial instruments issuers, or extraordinary financial transactions relating to such issuers, the price of the same instruments should vary from the last price of the previous day, the Subjects Obliged must publish with the prescribed methods a statement about the veracity of the same news, supplementing or correcting the content, in order to restore a level playing field (Art. 66 paragraph 8, Issuers Regulation).
Obligated Subjects have the right to delay the communication of Inside Information to the market in order not to prejudice their legitimate interests (art. 17, paragraph 5 MAR). It is important circumstances that legitimise this option when the disclosure to the public of Privileged Information may compromise the realisation of a transaction by the issuer itself or give rise to no public evaluation.
Obligated Parties who make use of the delay of the communication must observe the procedures necessary and suitable to guarantee the confidentiality of the information and communicate

without delay the Inside Information when such confidentiality should fail (art. 66-bis paragraph 3, Issuers Regulation).

These subjects are required to communicate without delay to CONSOB the delay and the reasons (art. 66-bis paragraph 4, Issuers Regulation). Following such disclosure or otherwise having received notice of a delay in the public disclosure of Inside Information, CONSOB may oblige interested parties to proceed with the communication and in the event of non-compliance provide at the expense of the parties concerned.
CONSOB may, also in general terms, request the Obliged Subjects, the members of the administrative and control bodies and the managers, as well as the subjects that hold a relevant participation pursuant to art. 120 TUF (that is, on the one hand, those who hold more than two per cent of the capital of a company with listed shares and, on the other, listed companies that hold more than ten per cent of the capital of a company with unlisted shares) or participating in an agreement provided for by art. 122 TUF (that is to say, a shareholders' agreement with the object of exercising the right to vote in companies with listed shares and in the companies that control them) that are made public, in the manner established by it, news and documents necessary for information to the public.
In case of non-compliance, the Authority may provide directly at the expense of the defaulting party (Art. 114 paragraph 5, TUF).

10. The circumstances of the crimes of manslaughter and serious or very serious culpable injuries, committed with violation of the norms of safety and health protection at work (art. 25-septies D.Lgs. 231/01 - D.Lgs. n. 81 of 9 April 2008)

Art. 9 of Law No. 123 of 3 August 2007 amended the D. Lgs. 231/01 introducing the new art. 25-septies which extends the liability of the entities to offences related to the violation of safety and accident prevention rules.

Pursuant to Article 1 of Law 123/07, Legislative Decree No. 9 of April 2008 No.81 on health and safety at work entered into force.

This measure is a Single Text for the coordination and harmonization of all the laws in force on the subject, with the intention of creating a uniform instrument of easy use for all those involved in the management of safety.

In particular, Legislative Decree No. 81/2008 repeals some important safety rules, including Legislative Decree No. 626/94 (Implementation of Community directives concerning the improvement of the safety and health of workers at work), Legislative Decree No. 494/96 (Implementation of the Community Directive on the minimum health and safety requirements to be implemented at temporary or mobile work sites), and lastly Arts. 2, 3, 4, 5, 6 and 7 of Law 123/2007.

Art. 300 of Legislative Decree 81/2008 replaced the wording of art. 25- septies of the aforesaid D.Lgs. 231/01, referred to the offences referred to in art. 589 (manslaughter) and 590 third paragraph (serious or very serious involuntary personal injury) of the Penal Code, committed with the violation of the norms of safety and health protection at work.

Art. 25-septies

Manslaughter or serious or very serious injury committed in violation of the rules on health and safety at work

((1. In relation to the crime referred to in Article 589 of the Penal Code, committed in violation of Article 55, paragraph 2, of the legislative decree implementing the delegation referred to in Law no. 123 of 3 August 2007 on health and safety at work, a financial penalty of 1,000 instalments shall be applied. In the case of conviction for the crime referred to in the previous period, the interdictive sanctions referred to in Article 9, paragraph 2, for a duration of not less than three months and not more than one year shall apply.

2. Except as provided for in paragraph 1, in relation to the offence referred to in Article 589 of the Criminal Code, committed in violation of the rules on the protection of health and safety at work, a financial penalty shall be imposed not less than 250 shares and not more than 500 shares. In the case of conviction for the crime referred to in the previous period, the interdictive sanctions referred to in Article 9, paragraph 2, shall apply for a period of not less than three months and not exceeding one year.

3. In relation to the offence referred to in the third paragraph of Article 590 of the Criminal Code committed in breach of the rules on the protection of health and safety at work, a financial penalty shall be imposed not exceeding 250 instalments. In the case of conviction for the crime referred to in the previous period, the interdictive sanctions referred to in Article 9, paragraph 2, shall apply for a period not exceeding six months.))

The new wording has redefined the penalties applicable to the body, graduated in relation to the crime and the aggravating circumstances that may incur in his commission.

- **Manslaughter (Art. 589 c.p.)**

The crime occurs whenever a person is guilty of the death of another person.

However, the criminal case included in D. Lgs. 231/01 only concerns cases in which the death-event has been determined not by a general fault, and therefore by negligence, imprudence or negligence, but by a specific fault, consisting in the violation of the rules for the prevention of accidents at work.

In relation to the crime in question, the new art. 25-septies of D.Lgs. 231/01 has provided for the financial penalty of a thousand shares and the interdictive sanction from three months to one year, but only if this is committed with violation of art. 55, paragraph 2 of the Consolidated Law, when criminal conduct is committed within certain specific types of companies (i.e. industrial

companies with more than 200 employees or those in which workers are exposed to biological risks, asbestos, etc.).

If, on the other hand, the same crime is committed simply by violation of the accident prevention rules, a pecuniary sanction of 250 to 500 quotas is applied, while in the case of conviction for such crime an interdictive sanction of three months to one year is applied.

- **Serious or very serious involuntary personal injury (Art. 590 c. 3 c.p.)**

The offence occurs whenever an individual, in violation of the rules for the prevention of accidents at work, causes serious or very serious injury to another subject.

Pursuant to paragraph 1 of art. 583 c.p., the injury is considered serious in the following cases:

"1) if it results in an illness which endangers the life of the injured person, that is, an illness or an inability to wait for ordinary occupations for more than forty days;

2) if the fact produces the permanent weakening of a sense or an organ".

Pursuant to paragraph 2 of art. 583 c.p., the injury is considered very serious if the fact results:

- "a disease certainly or probably incurable;
- the loss of meaning;
- the loss of a limb, or a mutilation that makes the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and serious difficulty of speech".

If the crime in question is committed with violation of the accident prevention rules, a pecuniary sanction not exceeding 250 shares is applied to the institution and, in the case of conviction for such crime, an interdictive sanction is applied for a maximum of six months.

In any case, art. 5 of Legislative Decree. 231/01 requires that the crimes have been committed in the interest of the institution or for its benefit.

The D.Lgs. 81/2008 also provides for art. 30 that, in order to avoid the administrative responsibility of the institution, the Model of Organization, Management and Control ex D.Lgs. 231/01 must be adopted and effectively implemented, ensuring that there is compliance with specific legal obligations, namely:

- compliance with the technical and structural standards of law relating to plants, workplaces and equipment;
- risk assessment activities and the preparation of consequent prevention and protection measures;
- activities of an organisational nature (e.g. first aid, procurement management, regular safety meetings, consultations of safety workers' representatives);
- information and training activities for workers and health surveillance;
- supervisory activities, with regard to safe working procedures and instructions by workers;
- the acquisition of documents and certifications required by law;

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

11. The facts of the crimes of receiving, laundering and use of money, goods or utilities of illicit origin, as well as self-laundering (art. 25-octies D.Lgs. 231/01 - D. Lgs. 231/2007)

D.Lgs. 231/2007 also known as "Anti-Money Laundering Decree" (transposing Directive 2005/60/EC on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, and Directive 2006/70/EC containing implementing measures therefor), has inserted in the corpus of D. Lgs. 231/01 the new art. 25-octies, which extends the liability of legal persons also to crimes of receiving, laundering and use of money, goods or utilities of illicit origin (art. 648, 648-bis and 648-ter c.p.) even if committed at national level.

Already Law 146/2006 (paragraphs 5 and 6 of Article 10, now repealed by the Anti-Money Laundering Decree) had provided for the liability of entities for the sole crimes of money laundering and use of money, goods or utilities of illicit origin, and only if the same had been committed at the transnational level.

The offences of receiving, laundering and using illicit money, goods or utilities are considered to be such even if the activities which generated the goods to be recycled took place in the territory of another Community State or a third State.

The aim of Decree 231/2007 is therefore to protect the financial system from its use for money laundering or terrorist financing purposes and is addressed to an audience of subjects that includes, in addition to banks and financial intermediaries, also all those operators who carry out activities such as custody and transport of cash, securities, business agencies in real estate mediation, etc. (i cd. "non-financial operators").

Art. 25-octies was amended by Law No. 186 of 15 December 2014, containing "Provisions on the emergence and return of capital held abroad as well as for strengthening the fight against tax evasion. Provisions on self-laundering", which introduced the crime of self-laundering (art. 648-ter.1 c.p.).

Art. 25-octies

Receiving, laundering and using illicit money, goods or utilities (as well as self-laundering)

1. In relation to the offences referred to in Articles 648, 648-bis ((,648-ter and 648-ter.1)) of the Criminal Code, the financial penalty from 200 to 800 shares shall apply to the entity. In the event that the money, the goods or other uses' come from a crime for which the penalty of imprisonment exceeding a maximum of five years is established, the pecuniary penalty of 400 to 1000 shares applies.

2. In cases of conviction for one of the crimes referred to in paragraph 1, the institution shall be subject to the interdictive sanctions provided for in Article 9, paragraph 2, for a period not exceeding two years.

3. In relation to the offences referred to in paragraphs 1 and 2, the Ministry of Justice, after consulting the FIU, makes the observations referred to in Article 6 of Legislative Decree no. 231 of 8 June 2001.

- **Receiving (Art. 648 c.p.)**

This hypothesis of crime occurs in the event that, out of the cases of involvement in the crime, a subject, in order to make himself or others a profit, buys, receives or conceals money or things from any crime, or otherwise meddles in making them buy, receive or conceal. This hypothesis is punished with imprisonment from two to eight years and with the fine from 516 euros to 10,329 euros.

The penalty is imprisonment of one to four years and the fine of 300 euros to 6,000 euros when the fact concerns money or things from contravention punished with the arrest of more than a year or at least six months.

The penalty shall be increased if the offence is committed in the course of a professional activity.

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

The provisions of this Article shall also apply where the offender, from whom the money or property originates, is not or is not liable to prosecution or where there is no procedural requirement relating to that crime.

- **Recycling (Art. 648-bis c.p.)**

This case of crime occurs in the event that an individual replaces or transfers money, goods or other utilities from crime, or in relation to them performs other operations, in order to hinder the identification of their criminal origin. This hypothesis is punished with imprisonment from four to twelve years and with the fine from Euro 5,000 to Euro 25,000.

The penalty is the imprisonment of two to six years and the fine of € 2,500 to € 12,500 when the fact concerns money or things from contravention punished with the arrest of more than a year or at least six months.

The penalty is increased when the fact is committed in the exercise of a professional activity.

The penalty is reduced if the money, goods or other utilities come from a crime for which the penalty of imprisonment less than five years is established.

- **Use of illicit money, goods or utilities (Art. 648-ter c.p.)**

Such a crime is the case of the use in economic or financial activities of money, goods or other utilities derived from crime. In this case, imprisonment is expected from four to twelve years and with the fine from € 5,000 to € 25,000. The penalty is increased when the fact is committed in the exercise of a professional activity.

The penalty is the imprisonment of two to six years and the fine of € 2,500 to € 12,500 when the fact concerns money or things from contravention punished with the arrest of more than a year or at least six months.

The penalty is increased when the fact is committed in the exercise of a professional activity.

The penalty is reduced if the fact is particularly tenuous.

- **Recycling (Art. 648-ter. 1 c.p.)**

The penalty of imprisonment from two to eight years and the fine from Euro 5,000 to Euro 25,000 applies to anyone who, having committed or contributed to commit an innocent crime, employs, replaces, transfers, in economic, financial, entrepreneurial or speculative activities, the money, goods or other utilities from the commission of such a crime, so as to concretely hinder the identification of their criminal origin.

The penalty of imprisonment from one to four years and the fine from Euro 2,500 to Euro 12,500 applies when the fact concerns money or things coming from contravention punished with arrest exceeding a maximum of one year or a minimum of six months.

The penalty is reduced if the money, assets or other benefits come from the commission of a crime punished with imprisonment of less than five years.

However, the penalties provided for in the first paragraph shall apply if the money, goods or other benefits come from a crime committed with the conditions or purposes referred to in Article 7 of Decree-Law No. 152 of 13 May 1991, converted by amendments from Law July 12, 1991, n. 203, and subsequent amendments.

In addition to the cases referred to in the preceding sub paragraphs, conduct in respect of which money, property or other use is intended merely for personal use shall not be punishable.

The penalty is increased when the facts are committed in the exercise of a banking or financial or other professional activity.

The penalty is reduced up to half for those who have effectively worked to prevent the conduct being brought to further consequences or to ensure evidence of the crime and the detection of property, money and other utilities from the crime.

The last paragraph of Article 648 shall apply.

Pursuant to art. 25-octies can therefore be applied to the institution financial penalties up to a maximum of € 1,500,000 and interdictive sanctions not exceeding, at most, two years, in the

case of commission of one of the crimes referred to in this article, even if carried out in a purely national context, provided that it derives an interest or advantage for the same entity

The powers and functions of the Supervisory Body whose task, pursuant to D. Lgs, have been redesigned. 231/01, consists in monitoring the implementation of the Organization, Management and Control Models.

12. Offences relating to non-cash payment instruments (Article 25-octies.1 Legislative Decree 231/01)

Art. 25-octies.1

Offences relating to non-cash payment instruments

1. In relation to the commission of the offences set out in the Criminal Code concerning non-cash means of payment, the following monetary sanctions shall apply to the entity:

a) for the offence referred to in Article 493-ter, a monetary sanction ranging from 300 to 800 quotas;

b) for the offence referred to in Article 493-quater and for the offence referred to in Article 640-ter, in the hypothesis aggravated by the carrying out of a transfer of money, monetary value or virtual currency, a monetary sanction of up to 500 quotas.

2. Unless the act constitutes another administrative offence punishable more severely, in relation to the commission of any other offence against public faith, against property, or which in any case offends property provided for by the Penal Code, when it concerns payment instruments other than cash, the following financial penalties shall apply to the entity:

a) if the offence is punishable by imprisonment of less than ten years, a fine of up to 500 quotas;

b) if the offence is punished by a term of imprisonment of no less than ten years, a monetary sanction of between 300 and 800 shares.

3. In cases of conviction for one of the offences referred to in paragraphs 1 and 2, the disqualification penalties provided for in Article 9(2) shall apply to the entity.

The individual cases covered by the rule are described below:

- Misuse and counterfeiting of non-cash payment instruments (Art. 493-ter Penal Code)

Whoever, in order to gain profit for himself/herself or for others, unlawfully uses credit or payment cards, or any other similar document enabling the withdrawal of cash or the purchase of goods or the rendering of services, or in any case any other payment instrument other than cash, shall be punished with imprisonment from one to five years and with a fine ranging from EUR 310 to EUR 1,550. The same punishment shall apply to any person who, in order to gain profit for himself or others, forges or alters the instruments or documents referred to in the first sentence, or possesses, disposes of or acquires such instruments or documents of unlawful origin or in any case forged or altered, or payment orders produced with them.

In the event of conviction or imposition of sentence upon request of the parties pursuant to Article 444 of the Code of Criminal Procedure for the offence referred to in the first paragraph, the confiscation of the things that served or were intended to commit the offence, as well as of the profit or product, shall be ordered, unless they belong to a person not involved in the offence, or

when this is not possible, the confiscation of goods, sums of money and other utilities the offender has at his disposal for a value corresponding to such profit or product.

Instruments seized for the purposes of the confiscation referred to in the second paragraph, during the course of judicial police operations, shall be entrusted by the judicial authority to the police bodies requesting such confiscation.

- Possession and distribution of computer equipment, devices or programmes aimed at committing offences involving non-cash payment instruments (Art. 493-quater Penal Code)

Unless the act constitutes a more serious offence, any person who, in order to make use of them or to allow others to use them in the commission of offences concerning non-cash means of payment, manufactures, imports, exports, sells, transports, distributes, makes available or in any way procures for himself or for others equipment, devices or computer programs which, by virtue of their technical-constructive or design characteristics, are primarily intended for committing such offences, or are specifically adapted to the same purpose, shall be punished with imprisonment of up to two years and a fine of up to 1,000 euro.

In case of conviction or application of the penalty upon request of the parties pursuant to Article 444 of the Code of Criminal Procedure for the offence referred to in the first paragraph, the confiscation of the aforementioned equipment, devices or computer programmes shall always be ordered, as well as the confiscation of the profit or product of the offence or, when this is not possible, the confiscation of goods, sums of money and other utilities the offender has at his disposal for a value corresponding to such profit or product.

- Computer fraud (Article 640-ter of the criminal code)

For the description of Article 640-ter of the Criminal Code, please refer to what is set out in point 1. of this Annex. It should be noted that Article 25-octies.1 of Legislative Decree no. 231/2001 provides for the relevance of the offence in question only in the aggravated hypothesis referred to in the second paragraph of Article 640-ter of the Criminal Code ("if the act results in a transfer of money, monetary value or virtual currency or is committed with abuse of the role of system operator").

2. Copyright infringement offences (Article 25-novies of Legislative Decree 231/01)

Article 15(7) of Law No. 99 of 23 July 2009 introduced the offences of copyright infringement into Article 25-novies of Legislative Decree 231/01.

Article 25-novies
Copyright infringement offences

1. In relation to the commission of the offences envisaged by Article 171, paragraph 1, letter a-bis), and paragraph 3, Article 171-bis, 171-ter, 171-septies and 171-octies of Law No. 633 of 22 April 1941, the financial penalty of up to five hundred quotas is applied to the entity.

2. In the case of conviction for the offences referred to in paragraph 1, the disqualification sanctions provided for in Article 9, paragraph 2, are applied to the entity for a period not exceeding one year. The provisions of Article 174-quinquies of the cited Law No. 633 of 1941 remain unaffected. (17) ((20))[3]

The individual cases covered by the standard are described below:

- **Art. 171, 1st paragraph, letter a-bis) and 3rd paragraph (L.633/1941)**

Except as provided by Article 171bis and Article 171b, a fine of € 51,00 to € 2,065,00 shall be imposed on any person, without entitlement, for any purpose and in any form:

a) make available to the public, by means of connections of any kind, a protected work of genius, or part of it, in a telematic network system;

The penalty is imprisonment up to one year or the fine not less than € 516.00 if the above crimes are committed over a work of another person not intended for publication, or with usurpation of the authorship of the work, or with deformation, mutilation or other modification of the work itself, if it offends the honour or reputation of the author.

- **Art. 171- bis (L.633/1941)**

Any person who in an abusive manner duplicates computer programs for profit or for the same purpose shall distributes, sells, holds for commercial or business purposes or leases programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE), is subject to the penalty of imprisonment from six months to three years and the fine from € 2,582 to € 15,493. The same penalty shall apply if the fact relates to any means intended solely to allow or facilitate the arbitrary removal or functional avoidance of devices applied to protect a computer program. The penalty is not less in the minimum to two years of imprisonment and the fine to 15,493 euros if the fact is of relevant gravity.

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UPDATE (17)

Law No. 116 of 3 August 2009 provided (with Article 4) that 'After Article 25-octies of Legislative Decree No. 231 of 8 June 2001, the following is inserted: "Article 25-novies (Inducement not to make statements or to make false statements to the judicial authority). - In relation to the commission of the offence referred to in Article 377-bis of the Penal Code, a fine of up to five hundred shares shall be imposed on the entity"'. ----------

UPDATING (20)

Law No. 116 of 3 August 2009, as amended by Legislative Decree No. 121 of 7 July 2011, provided (in Article 4, paragraph 1) that 'After Article 25-nonies of Legislative Decree No. 231 of 8 June 2001, the following is inserted: "Article 25-decies (Inducement not to make statements or to make false statements to the judicial authority). !. In relation to the commission of the offence referred to in Article 377-bis of the Civil Code, a fine of up to five hundred quotas.'."

- Whoever, for the purpose of gaining profit, on media not bearing the SIAE mark reproduces, transfers to another medium, distributes, communicates, presents or demonstrates in public the contents of a database in breach of the provisions of Articles 64-quinquies and 64-sexies, or performs the extraction or reuse of the database in breach of the provisions of Articles 102-bis and 102-ter, or distributes, sells or rents a database, shall be subject to a term of imprisonment ranging from six months to three years and a fine ranging from EUR 2 582 to EUR 15,493. The punishment is not less than a minimum of two years' imprisonment and a fine of EUR 15,493 if the offence is of significant gravity.

- ***Article 171- ter (L.633/1941)***

If the offence is committed for non-personal use, a term of imprisonment of six months to three years and a fine of between EUR 2,582 and EUR 15,493 shall be imposed on any person who makes a profit:

a) unlawfully duplicates, reproduces, transmits or disseminates in public by any process, in whole or in part, an original work intended for television, cinematographic, sale or rental circuit, discs, tapes or similar supports or any other support containing phonograms or videograms of musical, cinematographic or audiovisual works assimilated or sequences of moving images

b) unlawfully reproduces, transmits or disseminates in public, by any process, literary, dramatic, scientific or educational, musical or dramatic-musical or multimedia works or parts thereof, even if they are included in collective or composite works or databases

c) although not having taken part in the duplication or reproduction, introduces into the territory of the State, holds for sale or distribution, or distributes, markets, rents or otherwise disposes of for any reason, projects in public, broadcasts by means of television by any process whatsoever, broadcasts by means of radio, or plays in public the unauthorised duplications or reproductions referred to in subparagraphs (a) and (b);

d) possesses for sale or distribution, markets, sells, rents, disposes of for any reason, projects in public, broadcasts by radio or television by any process, video cassettes, music cassettes, any medium containing phonograms or videograms of musical, cinematographic or audiovisual works or sequences of moving images, or any other medium for which, pursuant to this law, the affixing of a mark by the Italian Society of Authors and Publishers is prescribed (S.I.A.E.), without the said mark or with a counterfeit or altered mark;

e) in the absence of an agreement with the lawful distributor, retransmits or broadcasts by any means whatsoever an encrypted service received by means of apparatus or parts of apparatus capable of decoding conditional access transmissions

f) introduces into the territory of the State, holds for sale or distribution, distributes, sells, leases, transfers for any reason, commercially promotes, installs special decoding devices or elements which allow access to an encrypted service without payment of the due fee.

f-bis) manufactures, imports, distributes, sells, rents, transfers for any reason, advertises for sale or rent, or possesses for commercial purposes, equipment, products or components or provides services which have the prevalent purpose or commercial use of circumventing

effective technological measures referred to in Article 102-quater or are principally designed, produced, adapted or performed for the purpose of enabling or facilitating the circumvention of the aforesaid measures. Technological measures include those applied, or which remain, following the removal of the said measures as a consequence of the voluntary initiative of the owners of the rights or of agreements between the latter and the beneficiaries of exceptions, or following the enforcement of administrative or jurisdictional authority measures;

g) unlawfully removes or alters the electronic information referred to in Article 102-quinquies, or distributes, imports for distribution purposes, broadcasts by radio or television, communicates or makes available to the public works or other protected material from which the same electronic information has been removed or altered.

A term of imprisonment from one to four years and a fine ranging from EUR 2,582 to EUR 15,493 shall be imposed on any person:

a) unlawfully reproduces, duplicates, transmits or disseminates, sells or otherwise places on the market, disposes of for any reason or unlawfully imports more than fifty copies or specimens of works protected by copyright and related rights

a-bis) in violation of Article 16, for the purpose of gain, communicates to the public by placing it in a system of telematic networks, through connections of any kind, an original work protected by copyright, or part of it

b) exercising in an entrepreneurial form activities of reproduction, distribution, sale or marketing, importation of works protected by copyright and related rights, is guilty of the acts referred to in paragraph 1;

c) promotes or organises the unlawful activities referred to in paragraph 1.

Conviction for one of the offences provided for in paragraph 1 entails:

a) the application of the accessory penalties referred to in Articles 30 and 32-bis of the Penal Code;
b) publication of the judgment pursuant to Article 36 of the Penal Code;
c) suspension for a period of one year of the broadcasting concession or authorisation to engage in production or commercial activity.

The amounts resulting from the application of the fines provided for in the preceding paragraphs shall be paid to the National Welfare and Assistance Organisation for Painters and Sculptors, Musicians, Writers and Dramatic Authors.

- ***Article 171-septies (L.633/1941)***

The penalty referred to in Article 171-ter, paragraph 1, also applies to:

a) to the producers or importers of the supports not subject to the marking referred to in Article 181-bis, who do not communicate to the SIAE within thirty days from the date of placing on the market in the national territory or of importation the data necessary for the unambiguous identification of the same supports

b) unless the act constitutes a more serious offence, to anyone who falsely declares the fulfilment of the obligations referred to in Article 181-bis, paragraph 2, of this law.

- Article 171 -octies (L.633/1941)

Unless the act constitutes a more serious offence, anyone who fraudulently produces, offers for sale, imports, promotes, installs, modifies, uses for public and private use apparatuses or parts of apparatuses for the decoding of audiovisual transmissions with conditional access broadcast over the air, by satellite, by cable, in both analogue and digital form, shall be punished with imprisonment from six months to three years and with a fine ranging from EUR 2,582 to EUR 25,822. Conditional access is understood to mean all audiovisual signals broadcast by Italian or foreign broadcasters in such a form as to make them visible exclusively to closed groups of users selected by the party broadcasting the signal, irrespective of the imposition of a fee for the use of that service.

The punishment is not less than two years' imprisonment and a fine of €15,493.00 if the offence is particularly serious.

1. Crime of Inducement not to make statements or to make false statements to the judicial authorities (Article 25-decies of Legislative Decree 231/01)

Law No. 116 of 3 August 2009 introduced the offence of "Inducement not to make statements or to make false statements to the judicial authorities" in Article 25- decies of Legislative Decree 231/01.

This criminal hypothesis -already covered by Legislative Decree 231/01 among transnational offences (Article 10, paragraph 9, Law 146/2006)- now also has relevance in the national context.

Article 25-decies

Inducement not to make statements or to make false statements to the judicial authorities

!. In relation to the commission of the offence referred to in Article 377-bis of the Civil Code, a fine of up to five hundred shares shall be imposed on the entity.

- ***Inducement not to make statements or to make false statements to the Judicial Authorities (Article 377-bis of the Criminal Code)***

Unless the act constitutes a more serious offence, anyone who, by means of violence or threats, or by offering or promising money or other benefits, induces a person called upon to make before the judicial authorities statements that may be used in criminal proceedings, when that person has the right to remain silent, not to make statements or to make false statements, shall be punished by imprisonment of from two to six years.

2. Le fattispecie dei reati ambientali (art. 25-undecies del D.Lgs. n. 231/01) 4. Environmental offences (Article 25-undecies of Legislative Decree No. 231/01)

Il D.Lgs. n.121 del 7 luglio 2011, che recepisce la Direttiva 2008/99/CE e la Direttiva 2009/123/CE, dando seguito all'obbligo imposto dall'Unione Europea di incriminare comportamenti fortemente pericolosi per l'ambiente, ha introdotto l'art. 25 *undecies* del D.Lgs. 231/01.

Article 25-undecies

Environmental Crimes

1. In relation to the commission of the offences provided for by the criminal code, the following monetary sanctions shall apply to the entity:

((a) for the breach of Article 452-bis, a monetary sanction ranging from two hundred and fifty to six hundred shares;

b) for any breach of Article 452-quater, a monetary sanction ranging from four hundred to eight hundred shares;

c) for any breach of Article 452-quinquies, a monetary sanction ranging from two hundred to five hundred shares;

d) for offences of aggravated association pursuant to Article 452-octies, a monetary sanction ranging from three hundred to one thousand shares;

e) for the crime of trafficking in and abandonment of highly radioactive material pursuant to Article 452-sexies, a monetary sanction ranging from two hundred and fifty to six hundred shares;

f) for the breach of Article 727-bis, a monetary sanction up to two hundred and fifty shares;

g) for the breach of Article 733-bis, a monetary sanction ranging from one hundred and fifty to two hundred and fifty shares)).

((1-bis. In cases of conviction for the offences indicated in paragraph 1, letters a) and b), of the present Article, the disqualification sanctions provided for in Article 9 shall apply, in addition to the monetary sanctions provided for therein, for a period not exceeding one year for the offence referred to in the aforementioned letter a))).

2. In relation to the commission of the offences set out in Legislative Decree no. 152 of 3 April 2006, the following financial penalties shall apply to the entity:

a) for the offences referred to in Article 137:

1) for any breach of paragraphs 3, 5, first sentence, and 13, a monetary sanction of between one hundred and fifty and two hundred and fifty shares;

2) for any breach of paragraphs 2, 5, second sentence, and 11, a monetary sanction ranging from two hundred to three hundred shares.

b) for the offences set forth in Article 256:

1) for any breach of paragraphs 1, letter a), and 6, first sentence, a monetary sanction up to two hundred and fifty shares;

2) for the breach of paragraphs 1, letter b), 3, first sentence, and 5, the monetary sanction from 150 to 250 quota;

3) for any breach of paragraph 3, second sentence, a monetary sanction ranging from two hundred to three hundred shares;

c) for the offences set forth in Article 257:

1) for any breach of paragraph 1, a monetary sanction up to two hundred and fifty shares;

2) for the breach of paragraph 2, a monetary sanction ranging from one hundred and fifty to two hundred and fifty shares;

d) for any breach of Article 258, paragraph 4, second sentence, monetary sanctions ranging from one hundred and fifty to two hundred and fifty shares;

e) for the breach of Article 259, paragraph 1, a monetary sanction ranging from 150 to 250 quota;

f) for the crime set forth in Article 260, a monetary sanction from three hundred to five hundred shares, in the case set forth in paragraph 1 and from four hundred to eight hundred shares in the case set forth in paragraph 2;

g) for the breach of Article 260-bis, a monetary sanction varying from one hundred and fifty to two hundred and fifty shares in the case provided for by paragraphs 6, 7, second and third sentences, and 8, first sentence, and a monetary sanction varying from two hundred to three hundred shares in the case provided for by paragraph 8, second sentence;

h) for the breach of Article 279, paragraph 5, the monetary sanction up to two hundred and fifty shares.

3. In relation to the commission of the offences provided for by Law No. 150 of 7 February 1992, the following monetary sanctions are applied to the entity

a) for any breach of Article 1, paragraph 1, Article 2, paragraphs 1 and 2, and Article 6, paragraph 4, a monetary sanction of up to two hundred and fifty shares;

b) for any breach of Article 1, paragraph 2, a monetary sanction ranging from one hundred and fifty to two hundred and fifty shares;

c) for offences of the Criminal Code referred to in Article 3-bis, paragraph 1 of the same Law No. 150 of 1992, respectively

1) the pecuniary sanction up to two hundred and fifty quotas, in the case of commission of offences for which the maximum penalty is one year imprisonment

2) a monetary sanction ranging from one hundred and fifty to two hundred and fifty shares, in the case of commission of offences for which a sentence not exceeding a maximum of two years' imprisonment is envisaged

3) a monetary sanction varying from two hundred to three hundred shares, in the event of commission of offences for which a sentence not exceeding a maximum of three years of imprisonment is envisaged

4) a monetary sanction ranging from three hundred to five hundred shares, in case of commission of offences for which a sentence not exceeding a maximum of three years of imprisonment is envisaged.

4. In relation to the commission of the offences provided for by Article 3, paragraph 6 of Law no. 549 of 28 December 1993, a monetary sanction of between one hundred and fifty and two hundred and fifty shares is applied to the entity.

5. In relation to the commission of the offences set out in Legislative Decree No. 202 of 6 November 2007, the following monetary sanctions shall apply to the entity

a) for the offence referred to in Article 9, paragraph 1, a monetary sanction of up to two hundred and fifty shares;

b) for the offence referred to in Article 8, paragraph 1, and Article 9, paragraph 2, monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

c) for the offence set forth in Article 8, paragraph 2, monetary sanctions ranging from two hundred to three hundred shares.

6. The sanctions set forth by paragraph 2, letter b), are reduced by half in the case of commission of the offence set forth by Article 256, paragraph 4, of Legislative Decree no. 152 of 3 April 2006.

7. In cases of conviction for the offences indicated in paragraph 2, letters a), no. 2), b), no. 3), and f), and in paragraph 5, letters b) and c), the disqualification sanctions provided for in Article 9, paragraph 2, of Legislative Decree no. 231 of 8 June 2001 shall apply for a period not exceeding six months.

8. *If the entity or one of its organisational units is permanently used for the sole or prevalent purpose of enabling or facilitating the commission of the offences referred to in Article 260 of Legislative Decree No 152 of 3 April 2006 and Article 8 of Legislative Decree No 202 of 6 November 2007, the penalty of definitive disqualification from carrying out the activity pursuant to Article 16, paragraph 3, of Legislative Decree No 231 of 8 June 2001 applies.*

The offences referred to in Article 25 undecies are as follows.

CRIMES INTRODUCED INTO THE CRIMINAL CODE

- ***Environmental pollution*** **(Art. 452-bis.)**

A term of imprisonment ranging from two to six years and a fine ranging from EUR 10,000 to EUR 100,000 shall be imposed on any person who illegally causes a significant and measurable impairment or deterioration of
1) water or air, or of extensive or significant portions of the soil or subsoil;
2) an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna.

When the pollution is produced in a protected natural area or an area subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased.

- ***Environmental disaster (art. 452-quater.)***

Outside the cases provided for in Article 434, anyone who unlawfully causes an environmental disaster shall be punished by imprisonment of five to fifteen years.

The following constitute an environmental disaster alternatively:

1) the irreversible alteration of the balance of an ecosystem;

2) the alteration of the equilibrium of an ecosystem, the elimination of which is particularly onerous and achievable only with exceptional measures;

3) the offence to public safety by reason of the importance of the act in terms of the extent of the impairment or of its damaging effects or the number of persons offended or exposed to danger.

When the disaster is produced in a protected natural area or an area subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or in damage to protected animal or plant species, the penalty is increased.

- ***Negligent crimes against the environment (Art. 452-quinquies.)***

If any of the acts referred to in Articles 452-bis and 452-quater is committed negligently, the penalties provided for in those Articles shall be reduced by between one third and two thirds. If the commission of the acts referred to in the preceding paragraph results in the danger of environmental pollution or environmental disaster, the penalties shall be further reduced by a third.

- ***Trafficking and abandonment of highly radioactive material (Art. 452-sexies)***

Unless the act constitutes a more serious offence, the punishment shall be imprisonment for a term of between two and six years and a fine ranging from EUR 10,000 to EUR 50,000 for anyone who unlawfully disposes of, purchases, receives, transports, imports, exports, procures for others, possesses, transfers, abandons or unlawfully disposes of highly radioactive material.

The punishment referred to in the first paragraph shall be increased if the act results in the danger of impairment or deterioration of

1) water or air, or extensive or significant portions of the soil or subsoil

2) of an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna. If the act causes danger to life or limb, the penalty shall be increased by up to half.

- ***Aggravating circumstances (Art. 452-octies.)***

When the association referred to in Article 416 is exclusively or jointly aimed at committing one of the offences provided for in this Title, the penalties provided for in Article 416 are increased.

When the organisation referred to in Article 416-bis is aimed at committing any of the offences provided for in this Title or at acquiring the management or in any case the control of economic activities, concessions, authorisations, contracts or public services in the environmental field, the penalties provided for in Article 416-bis are increased.

The penalties referred to in the first and second paragraphs shall be increased by between one third and one half if the association includes public officials or persons in charge of a public service who perform functions or provide services in the environmental field.

- ***Killing, destroying, capturing, taking or keeping specimens of protected wild animal or plant species (Article 727-bis of the criminal code)***

Unless the act constitutes a more serious offence, anyone who, outside the permitted cases, kills, takes or holds specimens belonging to a protected wild animal species shall be punished by a term of imprisonment of between one and six months or a fine of up to EUR 4,000, except in cases where the action concerns a negligible quantity of such specimens and has a negligible impact on the conservation status of the species. Anyone who, outside the permitted cases, destroys, takes or holds specimens belonging to a protected wild plant species shall be punished by a fine of up to EUR 4,000, except in cases where the action concerns a negligible quantity of such specimens and has a negligible impact on the conservation status of the species.

Unless the act constitutes a more serious offence, anyone who, outside the permitted cases, violates the marketing prohibitions set out in Article 8(2) of Presidential Decree 8 September 1997, No. 357, shall be punished with imprisonment from two to eight months and a fine of up to EUR 10,000.

- ***Destruction or deterioration of habitats within a protected site (Article 733-bis of the criminal code)***

Whoever, outside the permitted cases, destroys a habitat within a protected site or in any case deteriorates it, thus jeopardising its state of conservation, shall be punished with imprisonment of up to eighteen months and a fine of not less than EUR 3,000.

OFFENCES ENVISAGED BY THE "ENVIRONMENT ACT"

- ***Criminal sanctions (Art. 137- paragraphs 2,3,5,11,13 - Legislative Decree no. 152 / 2006, - T.U. of the environment)***

c. 2) Discharge without authorisation or discharge of hazardous substances.

When the conduct described in subsection 1 concerns the discharge of industrial waste water containing the hazardous substances included in the families and groups of substances listed in Tables 5 and 3/A of Annex 5 to Part Three of this Decree, the penalty is imprisonment from three months to three years and a fine from EUR 5,000 to EUR 52,000.

c. 3) Discharge in violation of requirements.

Whoever, outside the cases set forth in paragraph 5 or in Article 29-quater, paragraph 3, discharges industrial waste waters containing the hazardous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to Part Three of this Decree without complying with the requirements of the authorisation, or with the other requirements of the competent authority pursuant to Articles 107, paragraph 1, and 108, paragraph 4, shall be punished with imprisonment up to two years.

c. 5) Discharge in violation of tabular limits.

Unless the deed constitutes a more serious offence, anyone who, when discharging industrial waste water, exceeds the limit values established in table 3 or, in the case of discharges on the ground, in table 4 of Annex 5 to Part Three of this Decree, or the more restrictive limits established by the regions or autonomous provinces or by the competent Authority pursuant to Article. 107, paragraph 1, in relation to the substances indicated in table 5 of Annex 5 to Part Three of this Decree, is punished with imprisonment up to 2 years and a fine ranging from 3,000 euro to 30,000 euro. If the limit values set for the substances contained in table 3/A of the same Annex 5 are also exceeded, a term of imprisonment from six months to three years and a fine from EUR 6,000 to EUR 120,000 shall apply.

c. 11) Prohibition of discharges onto subsoil and groundwater.

Anyone who fails to observe the prohibitions on discharge laid down in Articles 103 and 104 shall be punished by imprisonment of up to three years.

c. 13) Discharge into the waters of the sea by ships or aircraft.

The penalty of imprisonment from two months to two years shall always be applicable if the discharge into the waters of the sea by ships or aircraft contains substances or materials for which a total prohibition of spillage is imposed pursuant to the provisions contained in the relevant international conventions in force and ratified by Italy, unless they are in such quantities as to be rendered harmless rapidly by the physical, chemical and biological processes occurring naturally in the sea and provided that prior authorisation is obtained from the competent authority.

- Unauthorised waste management activities (art. 256 - paragraphs 1a, 1b, 3 first and second sentence, 4 5, 6 first sentence - Legislative Decree no. 152 / 2006- Environment Consolidation Act)

c. 1 a, b) Waste management without authorisation.

Whoever carries out an activity of collection, transport, recovery, disposal, trading and intermediation of waste without the prescribed authorisation, registration or communication as set forth in Articles 208, 209, 210, 211, 212, 214, 215 and 216 is punished

a) with the punishment of detention from three months to one year or with a fine ranging from EUR 2,600 to EUR 26,000 in the case of non-hazardous waste

b) with a term of imprisonment from six months to two years and a fine ranging from EUR 2,600 to EUR 26,000 if hazardous waste is involved.

c. 3) Construction and operation of unauthorised landfill.

Anyone who sets up or operates an unauthorised landfill site shall be punished by terms of imprisonment from six months to two years and a fine ranging from EUR 2,600 to EUR 26,000. A term of imprisonment from one to three years and a fine ranging from EUR 5,200 to EUR 52,000 shall apply if the landfill is intended, even partially, for the disposal of hazardous waste. The sentence of conviction or the sentence issued pursuant to Article 444 of the Code of Criminal Procedure is followed by the confiscation of the area on which an unauthorised landfill is built if owned by the perpetrator or by the co-participant in the offence, without prejudice to the obligations of reclamation or restoration of the state of the sites.

c. 5) Prohibition of waste mixing.

Whoever, in violation of the prohibition laid down in Article 187, carries out unauthorised activities of mixing waste, shall be punished as laid down in subsection 1(b).

c. 6) Storage of medical waste.

Anyone who temporarily stores hazardous medical waste at the place of production, in breach of the provisions of Article 227, paragraph 1, letter b), shall be punished by arrest from three months to one year or by a fine ranging from EUR 2,600 to EUR 26,000. A fine ranging from EUR 2,600 to EUR 15,500 shall be imposed for quantities not exceeding 200 litres or equivalent quantities.

- ***Site remediation (Article 257 - paragraphs 1, 2 - Legislative Decree no. 152 / 2006- Consolidated Environment Act)***

c. 1) Failure to remediate sites.

Unless the act constitutes a more serious offence, whoever causes the pollution of the soil, subsoil, surface waters or underground waters by exceeding the risk threshold concentrations is to be punished with imprisonment from six months to one year or a fine ranging from 2,600 euro to 26,000 euro, if he does not carry out the reclamation in compliance with the project approved by the competent authority within the scope of the procedure set forth in Article 242 and following. In the event of failure to provide the notice referred to in Article 242, the offender shall be punished with imprisonment from three months to one year or a fine ranging from 1,000 euro to 26,000 euro.

c. 2) Dangerous substances.

The punishment of imprisonment from one year to two years and a fine ranging from 5,200 euro to 52,000 euro shall apply if the pollution is caused by hazardous substances.

Compliance with the projects approved pursuant to Article 242 et seq. constitutes a condition of non-punishability for environmental offences contemplated by other laws for the same event and for the same conduct of pollution referred to in subsection 1.

- ***Breach of the obligations of communication, keeping of compulsory registers and forms (Article 258 - paragraph 4, second sentence - Legislative Decree no. 152 /2006- Consolidated Law on the Environment)***

c. 4) Transport of waste without a form.

The provision punishes, with a pecuniary administrative sanction, anyone who transports waste without the identification form (FIR) referred to in Article 193 or without the replacement documents referred to therein, or who reports incomplete or inaccurate data in the form itself

The penalty referred to in Article 483 of the Criminal Code shall apply to anyone who transports hazardous waste, also to anyone who, in preparing a waste analysis certificate, provides false information on the nature, composition and chemical and physical characteristics of the waste and to anyone who uses a false certificate during transport.

- ***Illegal waste trafficking (Article 259 - paragraph 1 - Legislative Decree no. 152 / 2006- Consolidated Law on the Environment)***

c. 1) Transboundary shipment of waste, constituting illegal trafficking.

Whoever carries out a shipment of waste that constitutes illegal traffic as defined in Article 26 of EEC Regulation No. 259 dated 1 February 1993, or carries out a shipment of waste listed in Annex II of the aforementioned Regulation in violation of Article 1, paragraph 3, letters a), b), c) and d) of the same Regulation, shall be punished by a fine ranging from EUR 1,550 to EUR 26,000 and imprisonment of up to two years. The penalty is increased in the case of the shipment of hazardous waste.

- ***Organised activities for the illegal trafficking of waste (art. 452-quaterdecies c.p.)***

c. 1) Unauthorised waste management.

Whoever, in order to obtain an unjust profit, with several operations and through the setting up of means and continuous organised activities, illegally transfers, receives, transports, exports, imports, or in any case illegally handles large quantities of waste shall be punished with imprisonment from one to six years.

c. 2) Highly radioactive waste.

In the case of highly radioactive waste, the penalty is imprisonment of three to eight years..

- ***Computerised waste traceability control system Art. 260-bis - paragraphs 6, 7 second and third sentences, 8 - Legislative Decree no. 152 / 2006- Consolidated Law on the Environment)***

c. 6) False entries in the waste traceability certificate.

The punishment referred to in Article 483 of the Criminal Code shall apply to any person who, in the preparation of a waste analysis certificate used within the framework of the waste traceability control system, provides false information on the nature, composition and chemical/physical characteristics of the waste and to any person who includes a false certificate in the data to be provided for waste traceability purposes.

c. 7) Transport of hazardous waste without a copy of the Sistri form or using a form with false indications.

The penalty laid down in Article 483 of the Penal Code shall apply in the case of the transport of hazardous waste. The latter penalty also applies to anyone who, during transport, uses a waste analysis certificate containing false information on the nature, composition and chemical and physical characteristics of the waste transported.

c. 8) Transport of waste with fraudulently altered Sistri card.

Any transporter who accompanies the transport of waste with a paper copy of the SISTRI - AREA MOVIMENTAZIONE form that has been fraudulently altered is liable to the penalty provided for in the combined provisions of Articles 477 and 482 of the Criminal Code. The penalty is increased by up to one third in the case of hazardous waste.

- ***Sanctions (Article 279 - paragraph 5 - Legislative Decree no. 152 / 2006- Consolidated Law on the Environment)***

c. 5) Exceeding emission limits and exceeding air quality limit values.

In the cases provided for in subsection 2, the penalty of imprisonment of up to one year shall always apply if the exceeding of the emission limit values also results in the exceeding of the air quality limit values laid down in the legislation in force.

OFFENCES RELATED TO THE PROTECTION OF ANIMAL AND PLANT SPECIES

- ***Art. 1 – paragraphs 1, 2 - Law No 150/1992***

1. Unless the act constitutes a more serious offence, it shall be punished with imprisonment from six months to two years and with a fine ranging from EUR 15,000 to EUR 150,000 for anyone who, in breach of the provisions of Council Regulation (EC) 338/97 of 9 December 1996, and subsequent implementations and amendments, for specimens belonging to the species listed in Annex A of the same Regulation and subsequent amendments

a) importing, exporting or re-exporting specimens, under any customs procedure, without the required certificate or permit, or with an invalid certificate or permit pursuant to Article 11(2a) of Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended

b) fails to observe the requirements for the safety of specimens specified in a permit or certificate issued in accordance with Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended, and Commission Regulation (EC) No 939/97 of 26 May 1997, as subsequently amended

c) uses the aforementioned specimens in a way which does not comply with the requirements contained in the permits or certificates issued together with the import permit or subsequently certified

d) transports or arranges for the transit, including on behalf of third parties, of specimens without the prescribed permit or certificate issued in accordance with Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended, and Commission Regulation (EC) No 939/97 of 26 May 1997, as subsequently amended, and, in the case of

export or re-export from a third country party to the Washington Convention, issued in accordance therewith, or without sufficient proof of their existence

e) trades in artificially propagated plants in contravention of the requirements established on the basis of Article 7(1)(b) of Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended, and Commission Regulation (EC) No 939/97 of Commission Regulation (EC) No 939/97 of 26 May 1997 and subsequent amendments;

f) possesses, uses for profit, buys, sells, exhibits or holds for sale or commercial purposes, offers for sale or otherwise disposes of specimens without the required documentation.

2. In case of recidivism, the punishment shall be imprisonment from one to three years and a fine ranging from EUR 30,000 to EUR 300,000. If the above-mentioned offence is committed in the exercise of business activities, the conviction shall be followed by the suspension of the licence from a minimum of six months to a maximum of two years;

- ***Art. 2 – paragraphs 1, 2 –Law no. 150/1992***

1. Unless the act constitutes a more serious offence, a fine ranging from 20,000 to 200,000 euros or a term of imprisonment ranging from six months to one year shall be imposed on anyone who, in breach of the provisions of Council Regulation (EC) 338/97 of 9 December 1996, and subsequent implementations and amendments thereto, for specimens belonging to the species listed in Annexes B and C of the same Regulation

(a) imports, exports or re-exports specimens, under any customs procedure, without the required certificate or permit, or with an invalid certificate or permit pursuant to Article 11(2a) of Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended

(b) fails to comply with the requirements for the safety of specimens, specified in a permit or certificate issued in accordance with Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended, and Commission Regulation (EC) No 939/97

of the Commission of 26 May 1997 and subsequent amendments;

(c) uses the aforementioned specimens in a manner contrary to the requirements contained in the permit or certificate issued together with the import permit or subsequently certified

(d) transports or arranges for the transit, including on behalf of third parties, of specimens without the prescribed permit or certificate issued in accordance with Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended, and Commission Regulation (EC) No 939/97 of 26 May 1997, as subsequently amended, and, in the case of export or re-export from a third country party to the Washington Convention, issued in accordance therewith, or without sufficient proof of their existence

(e) trades in artificially propagated plants contrary to the requirements established on the basis of Article 7(1)(b) of Council Regulation (EC) 338/97 of 9 December 1996, as subsequently implemented and amended, and Commission Regulation (EC) No 939/97 of

Commission Regulation (EC) No 939/97 of 26 May 1997 and subsequent amendments;

f) possesses, uses for profit, buys, sells, exhibits or holds for sale or for commercial purposes, offers for sale or otherwise disposes of specimens without the required documentation, limited to the species listed in Annex B of the Regulation.

2. In case of recidivism, the punishment of imprisonment from six months to eighteen months and a fine ranging from twenty thousand to two hundred thousand euro shall apply. If the aforementioned offence is committed in the exercise of business activities, the conviction is followed by the suspension of the licence from a minimum of six months to a maximum of eighteen months.

- ***Art. 3 bis – paragraph 1 –Law no. 150/1992***

1. The offences provided for in Article 16(1)(a), (c), (d), (e), and (l) of Council Regulation (EC) No 338/97 of 9 December 1996, as amended, concerning the falsification or alteration of certificates, licences, import notifications, declarations, communications of information for the purpose of acquiring a licence or certificate, and the use of false or altered certificates or licences, are subject to the penalties provided for in Book II, Title VII, Chapter III of the Penal Code.

- ***Art. 6 – paragraph 4 – Law no. 150/1992***

4. Whoever contravenes the provisions of paragraph 1 shall be punished with imprisonment of up to six months or with a fine ranging from fifteen thousand euro to three hundred thousand euro.

OFFENCES RELATED TO THE PROTECTION OF THE OZONE LAYER AND THE ENVIRONMENT

- ***Cessation and reduction of the use of harmful substances (Article 3 - paragraph 6 - Law No. 549/ 1993)***

6. Whoever infringes the provisions of this Article shall be punished by terms of imprisonment of up to two years and a fine of up to three times the value of the substances used for production purposes, imported or marketed. In the most serious cases, the conviction is followed by the revocation of the authorisation or licence on the basis of which the offending activity is carried out.

SHIP-SOURCE POLLUTION OFFENCES

- ***Malicious pollution (art. 8 del D.Lgs. n. 202 / 2007)***

1. Unless the deed constitutes a more serious offence, the Master of a ship, flying any flag, as well as the members of the crew, the owner and the operator of the ship, in the event that the violation has occurred with their complicity, who wilfully violate the provisions of Article 4 shall be punished by imprisonment from six months to two years and a fine ranging from €10,000 to €50,000.

2. If the infringement referred to in paragraph 1 causes permanent or, in any case, particularly serious damage to the quality of the waters, to animal or plant species, or to parts

of them, the imprisonment from one to three years and a fine from €10,000 to €80,000 shall be applied.
3. The damage is considered to be particularly serious when the elimination of its consequences is particularly complex from a technical point of view, or particularly onerous or achievable only with exceptional measures.

- ***Culpable pollution (art. 9 del D.Lgs. n. 202 / 2007)***

1. Unless the deed constitutes a more serious offence, the Master of a ship, flying any flag, as well as the members of the crew, the owner and the operator of the ship, in the event that the violation has occurred with their complicity, who wilfully violate the provisions of Article 4 shall be punished by imprisonment from six months to two years and a fine ranging from €10,000 to €30,000.

2. If the infringement referred to in paragraph 1 causes permanent or, in any case, particularly serious damage to the quality of the water, to animal or plant species, or to parts of them, the punishment shall be imprisonment from six months to two years and a fine from €10,000 to €30,000.

3. The damage is considered to be particularly serious when the elimination of its consequences is particularly complex from a technical point of view, or particularly costly or achievable only with exceptional measures.

- ***Sanctions against the ex D.Lgs. n. 121/2011***

The pecuniary sanction is provided for in relation to all hypotheses for which the entity is liable. The delegated legislature has provided for three classes of seriousness as detailed below:

- monetary sanction of 150 to 250 quotas for offences punished with imprisonment of up to two years or with imprisonment of up to two years

- monetary penalty of up to 250 quotas for offences punished with a fine or with imprisonment of up to one year or with imprisonment of up to two years (in conjunction with the fine)

- a fine of 200 to 300 quotas for offences punishable by imprisonment of up to three years or by arrest of up to three years.

This scheme makes an exception for the offence referred to in Article 260, paragraph 1 of Law 152/06 (Consolidated Law on the Environment) for which the more severe penalty regime is reserved, as described below, for activities organised for the illegal trafficking of waste:

- monetary sanctions ranging from 300 to 500 quotas.

The application of prohibitory sanctions - pursuant to Article 9, paragraph 2 of Legislative Decree 231/01 - against the legal person is provided for exclusively in the following cases

1) Article 137, paragraphs 2, 5 second sentence, and 11 of Legislative Decree No. 152/2006;

2) Article 256, paragraph 3 - second sentence - of Legislative Decree no. 152/2006; 3) Article 260, paragraphs 1 and 2 of Legislative Decree no. 152/2006.

Only in these cases, therefore, will it be possible to apply the same sanctions to the legal person as a precautionary measure pursuant to Article 45 et seq. of Legislative Decree no. 231/01.

The application of the most serious sanction among those provided for by Legislative Decree no. 231/01, i.e. that of the definitive disqualification from exercising the activity referred to in Article 16, paragraph 3, has been provided for in cases where the legal person or one of its organisational activities is permanently used for the sole or prevalent purpose of permitting or facilitating the commission of offences of association aimed at the illegal trafficking of waste (Article 260, paragraphs 1 and 2, of Legislative Decree no. 152/2006).

3. 5. Crime of employment of third country nationals whose stay is irregular (Article 25-duodecies of Legislative Decree no. 231/01)

Article 2 of Legislative Decree No. 109 of 16 July 2012 introduced the offence of 'Employment of citizens of foreign countries whose stay is irregular' to Article 25-duodecies of Legislative Decree No. 231/01, which provides for the application to the entity of a fine of 100 to 200 quotas, up to a limit of EUR 150,000 for this offence.

Art. 25-duodecies.

Employment of illegally staying third-country nationals

1. In relation to the commission of the offence set forth in Article 22, paragraph 12-bis of Legislative Decree No. 286 of 25 July 1998, the pecuniary sanction of 100 to 200 shares, within the limit of EUR 150,000, shall be applied to the entity.

((1-bis. In relation to the commission of the offences set forth in Article 12, paragraphs 3, 3-bis and 3-ter of the Consolidated Act referred to in Legislative Decree no. 286 of 25 July 1998, and subsequent amendments, the pecuniary sanction of four hundred to one thousand shares shall apply to the entity.

1-ter. In relation to the commission of the offences referred to in Article 12, paragraph 5, of the Consolidated Text referred to in Legislative Decree No 286 of 25 July 1998, and subsequent amendments, the entity is subject to a monetary sanction of between one hundred and two hundred shares.

1-quater. In cases of conviction for the offences set forth in paragraphs 1-bis and 1-ter of this Article, the disqualification sanctions set forth in Article 9, paragraph 2, are applied for a period of no less than one year)).

This criminal hypothesis is governed by Article 22(12-bis) of Legislative Decree No. 286 of 25 July 1998 (Consolidation Act of provisions concerning the regulation of immigration and rules on the condition of foreigners):

- ***"Employment of nationals of foreign countries whose stay is irregular***

The penalties for the offence provided for in Article 22(12) of Legislative Decree No 286 of 25 July 1998 - according to which 'An employer who employs foreign workers who do not hold the residence permit provided for in this Article, or whose permit has expired and whose renewal,

revocation or cancellation has not been requested within the legal deadlines, is liable to imprisonment for a term of between six months and three years and a fine of €5,000 for each worker employed' - are increased by between one third and one half:

(a) if the workers employed are more than three in number;

b) if the employed workers are minors of non-working age;

(c) if the employed workers are subjected to other particularly exploitative working conditions referred to in the third paragraph of Article 603-bis of the Criminal Code.

Law No. 161, art.30, paragraph 4 of 17 October 2017 introduced to Article 25-duodecies of Legislative Decree.

231/01 the offences referred to in Article 12(3), (3bis), (3ter) and (5) of Legislative Decree No. 286/1998

(**"Provisions against clandestine immigration"**) which provide for the application to the entity of a fine of 400 to 1000 quotas for such offences.

3. Unless the act constitutes a more serious offence, anyone who, in breach of the provisions of this Consolidated Text, promotes, directs, organises, finances or transports foreigners into the territory of the State or commits other acts aimed at illegally procuring their entry into the territory of the State, or of another State of which the person is not a citizen or does not hold permanent residence status, shall be punished by imprisonment of from five to fifteen years and a fine of 15. 000 euro for each person in the event that: a) the offence relates to the illegal entry or stay in the territory of the State of five or more persons; b) the person transported has been exposed to danger to his life or safety in order to procure his illegal entry or stay; c) the person transported has been subjected to inhuman or degrading treatment in order to procure his illegal entry or stay d) the fact is committed by three or more persons in complicity with each other or by using international transport services or documents that are forged or altered or in any case illegally obtained; e) the perpetrators of the offence have at their disposal arms or explosive materials.

3-bis. If the facts set forth in paragraph 3 are committed by recurring to two or more of the hypotheses set forth in letters a), b), c), d) and e) of the same paragraph, the punishment set forth therein shall be increased.

3-ter. The term of imprisonment shall be increased by between a third and a half and a fine of 25,000 Euro shall be imposed on each person if the acts referred to in paragraphs 1 and 3: a) are committed for the purpose of recruiting persons to be destined to prostitution or in any case to sexual or labour exploitation or concern the entry of minors to be employed in unlawful activities in order to favour their exploitation; b) are committed for the purpose of profiting, even indirectly.

5. Apart from the cases provided for in the preceding paragraphs, and unless the fact constitutes a more serious offence, anyone who, in order to obtain an unfair profit from the illegal status of the foreigner or within the scope of the activities punishable under this Article, favours the permanence of the latter in the territory of the State in violation of the provisions of this

Consolidated Act, shall be punished with imprisonment of up to four years and with a fine of up to 30 million lire. When the offence is committed jointly by two or more persons, or concerns the permanence of five or more persons, the punishment shall be increased by between one third and one half.

4. 6. Crimes of racism and xenophobia (art. 25-*terdecies* del D.Lgs. n. 231/01)

Law No. 167, Article 2 of 20 November 2017 introduced the offences of racism and xenophobia to Article 25-terdecies of Legislative Decree 231/01, which provides for the application to the entity of a fine of 200 to 800 quotas for such offences.

Art. 25-terdecies
Racism and xenophobia

((1) In relation to the commission of the offences referred to in Article 3, paragraph 3-bis of Law no. 654 of 13 October 1975, a pecuniary sanction ranging from two hundred to eight hundred shares shall be applied to the entity.

2. In cases of conviction for the offences referred to in paragraph 1, the disqualification sanctions provided for in Article 9, paragraph 2, are applied to the entity for a period of not less than one year.

3. If the entity or one of its organisational units is permanently used for the sole or prevalent purpose of enabling or facilitating the commission of the offences indicated in paragraph 1, the sanction of

of definitive disqualification from carrying out the activity pursuant to Article 16(3)).

These offences are governed by Article 3(3-bis) of Law 654/1975 (International Convention on the Elimination of All Forms of Racial Discrimination):

The punishment of imprisonment of two to six years shall apply if the propaganda or incitement and incitement, committed in such a way as to give rise to a concrete danger of dissemination, are based in whole or in part on the denial, gross trivialisation or apologia of the Shoah or crimes of genocide, crimes against humanity and war crimes, as defined in Articles 6, 7 and 8 of the Statute of the International Criminal Court, ratified pursuant to Law 232 of 12 July 1999.

5. Fraud in sporting competitions, unlawful gaming or betting and gambling by means of prohibited devices (Article 25-quaterdecies of Legislative Decree 231/01)

Law No. 39 of 30 May 2019 introduced Art. 25-quaterdecies of Legislative Decree 231/01 fraud in sporting competitions (Art. 1 L. 40/1989) and the offence of abusive gaming or betting activities (Art. 4 L. 401/1989).

Art. 25-quaterdecies

Fraud in sports competitions, illegal gambling or betting and gambling by means of prohibited equipment

((1. In relation to the commission of the crimes referred to in articles 1 and 4 of the law 13 December 1989, n. 401, the following pecuniary sanctions shall apply to the institution:

a) for crimes, a financial penalty of up to five hundred instalments;

b) for contraventions, a financial penalty of up to two hundred and sixty instalments.

2. In cases of conviction for one of the crimes referred to in paragraph 1, letter a), of this Article, the interdictive sanctions provided for in Article 9, paragraph 2, shall apply for a period of not less than one year)).

3. Tax offences (art. 25-quinquiesdecies of Legislative Decree no. 231/01)

The D.L. 26 October 2019, n. 124 introduced the tax offences to art. 25-quinquiesdecies, paragraph 1, of Legislative Decree No. 231/2001. In relation to the type of crime, it is provided for the application to the entity of the financial penalty from 400 to 500 shares.

Art. 25-quinquiesdecies

Tax offences

1. In relation to the commission of the offences provided for in Legislative Decree no. 74 of 10 March 2000, the following financial penalties shall apply to the institution:

a) for the crime of fraudulent declaration by the use of invoices or other documents for non-existent transactions provided for in Article 2, paragraph 1, the financial penalty up to five hundred shares;

b) for the offence of fraudulent declaration by the use of invoices or other documents for non-existent transactions provided for in Article 2, paragraph 2-bis, the financial penalty up to four hundred instalments;

for the crime of fraudulent declaration by other means, as provided for in Article 3, a financial penalty of up to five hundred instalments;

d) for the crime of issuing invoices or other documents for non-existent transactions, provided for in Article 8, paragraph 1, the financial penalty up to five hundred shares;

e) for the crime of issuing invoices or other documents for non-existent transactions, provided for in Article 8, paragraph 2-bis, the financial penalty up to four hundred allowances;

f) for the offence of concealment or destruction of accounting documents, as provided for in Article 10, a financial penalty of up to four hundred instalments;

g) for the offence of fraudulent tax deduction provided for in Article 11, a financial penalty of up to four hundred instalments.

((1-bis. In relation to the commission of the crimes provided for in the legislative decree of 10 March 2000, n. 74, when they are committed in order to evade value added tax in the context of cross-border fraudulent systems linked to the territory of at least one other Member State of the European Union, resulting in or likely to result in total damage of EUR 10 million or more, the following financial penalties shall apply to the institution:

a) for the crime of unfaithful declaration provided for in Article 4, the financial penalty up to three hundred shares;

b) for the offence of failure to make a declaration provided for in Article 5, a financial penalty of up to four hundred instalments;

c) for the crime of undue compensation provided for in Article 10-quater, the financial penalty of up to four hundred instalments.)

2. If, as a result of the commission of the crimes indicated (in paragraphs 1 and 1-bis), the institution obtained a significant profit, the financial penalty is increased by a third.

3. In the cases provided for by ((paragraphs 1, 1-bis and 2), the interdictive sanctions referred to in Article 9, paragraph 2, paragraphs c), d) and e) shall apply.

(37)

UPDATE (37)

The D.L. 26 October 2019, n. 124, converted with modifications from L. 19 December 2019, n. 157, ordered (with art. 39, paragraph 3) that "The provisions of paragraphs 1 to 2 shall take effect from the date of publication in the Official Journal of the law of conversion of this decree".

- Fraudulent declaration by use of invoices or other documents for non-existent transactions (Art. 2, paragraph 1 and 2-bis of Legislative Decree No. 74/2000)

The rule punishes by imprisonment from four to eight years any person, in order to evade taxes on income or value added, using invoices or other documents for non-existent transactions, shall indicate fictitious items in one of the tax declarations.

If the amount of fictitious liabilities is less than one hundred thousand euros, imprisonment from one year and six months to six years shall apply.

- Fraudulent declaration by other means (Art. 3 of Legislative Decree no. 74/2000)

The rule punishes by imprisonment from three to eight years any person, outside the cases provided for in Article 2, in order to evade income or value added tax, by performing transactions which are simulated objectively or subjectively, or by using false documents or other fraudulent means capable of hindering the investigation and misleading the financial administration, indicates in one of the tax returns on those assets less than the actual amount or notional liabilities or receivables and notional deductions, when, jointly:

a) the tax evaded is higher, with reference to some of the individual taxes, to euro thirty thousand;

b) the total amount of assets subtracted from tax, including by the indication of notional liabilities, exceeds five per cent of the total amount of assets disclosed; or in any case, it is more than one million five hundred thousand euros, that is, if the total amount of credits and fictitious deductions decreasing tax, is more than five percent of the amount of the same tax or at least thirty thousand euros. The fact shall be deemed to have been committed using false documents when those documents are recorded in the accounts required or are held for purposes of proof to the financial administration. It should be noted that a mere breach of the obligations of invoicing and recording the assets in the accounts or the mere indication in invoices or in the notes of assets less than the real ones do not constitute fraudulent means.

- **Issue of invoices for non-existent transactions (Art. 8, paragraph 1 and 2-bis, of Legislative Decree no. 74/2000)**

The rule punishes with imprisonment from four to eight years anyone, in order to allow third parties tax evasion on income or value added, issues or issues invoices or other documents for non-existent operations.

If the amount which does not correspond to the truth indicated in the invoices or documents, per tax period, is less than one hundred thousand euros, the imprisonment from one year and six months to six years shall apply.

- **Concealment or destruction of accounting documents (Art. 10 of Legislative Decree no. 74/2000)**

Unless the fact is a more serious offence, the rule punishes by imprisonment from three to seven years any person in order to evade income tax or value added tax, or to allow evasion to third parties, conceals or destroys, in whole or in part, the accounting records or documents which must be retained in such a way as not to permit the reconstruction of income or turnover.

- **Fraudulent tax avoidance (Art. 11 of Legislative Decree no. 74/2000)**

The rule punishes by imprisonment from six months to four years any person, in order to avoid the payment of taxes on income or value added or of interest or administrative penalties relating

to these taxes of a total amount exceeding fifty thousand euros, simulated alienation or other fraudulent acts on its own or on other goods capable of rendering in whole or in part ineffective the compulsory collection procedure.

Art. 25-quinquiesdecies was subsequently amended by the entry into force of D. Lgs. n.75/2020, in implementation of Directive (EU) 2017/1371 on the protection of the financial interests of the European Union (cd. PIF Directive), which has inserted in the body of art. 25-quinquiesdecies, in paragraph 1- bis the following crimes:

- **Unfaithful declaration (Art. 4 of Legislative Decree no. 74/2000)**
- **No declaration (Art. 5 of Legislative Decree no. 74/2000)**
- **Undue compensation (Art. 10-quater D.Lgs. 74/2000)**

Paragraph 1- bis of art. 25-quinquiesdecies of Legislative Decree. 231/01 provides for the application to the institution of the following financial penalties:

a. for the crime of unfaithful declaration, the financial penalty up to three hundred shares;
b. for the offence of failure to make a declaration, the financial penalty of up to four hundred instalments;
c. for the crime of undue compensation, the financial penalty up to four hundred quotas.

These tax offences are offences which are a prerequisite for the administrative liability of entities for criminal offences only if:

- committed under cross-border fraudulent systems;
- are intended to evade VAT for an amount not less than 10 million Euro.

Therefore, for the purpose of the liability of the entities, they do not detect any violations that, although criminal relevant to natural persons (the crimes referred to have, in fact, much lower thresholds)not exceed the specific punishable thresholds set for administrative offences.

Having said this, the crime of **unfaithful declaration** punishes by imprisonment from two years to four years the taxpayer who makes a false statement, indicating active elements for an amount lower than the actual or non-existent passive elements.

The conduct, then, is characterized by the lack of elements of fraudulence, as also clarified by the reserve clause with respect to the crimes of "tax fraud" of art. 2 and 3 of D.Lgs. 74/2000. This does not constitute an unfaithful declaration, in particular in the case of: (i) incorrect classification of elements faithfully indicated in the declaration; (ii) incorrect assessment of the assets or liabilities, where the criteria actually applied have in any event been indicated in the financial statements or other documentation relevant for tax purposes; (iii) breach of the criteria

for determining the exercise of jurisdiction; (iv) infringement of the provisions on the encumbrance and deductibility of actual taxable items. Moreover, there are no punishable facts which, taken together, differ by less than 10% from the correct ones. In short, the art. 4 of D.Lgs. 74/2000 attributes criminal relevance only to passive elements that are materially non-existent, with the exclusion of all costs actually incurred. In this way, however, it is reaffirmed the irrelevance of criminal tax avoidance, already sanctioned by art. 10, co. 13 of Legislative Decree. 128/2015.

On the other hand, the failure to make a declaration results in imprisonment of between two and five years in the conduct of a person who, in order to evade income tax or VAT, is not obliged to submit one of the declarations relating to those taxes. The offence in question shall be committed only after 90 days have elapsed following the expiry of the time limit for lodging the declaration. For the exact interpretation of the case, it is necessary to have regard to the provisions of the tax law that identify the circumstances that make it mandatory for a taxpayer (Italian or foreign) to submit a tax return/ VAT. As stated at the beginning, this provision constitutes a presumed crime only in relation to the failure to declare VAT.

Finally, **the crime of undue compensation** punishes with imprisonment from six to two years anyone who does not pay the taxes due, using as compensation unpaid credits (i.e., certain claims in their existence and amount, but not yet or no longer usable for tax purposes) or non-existent (claims, i.e., that find no foundation in the tax position of the taxpayer). The compensation between debts and tax receivables can be, then, "horizontal" - that is, between credits and debts of a different nature - or "vertical", that is, between credits and tax debts of the same type.

If, following the commission of the crimes indicated in paragraphs 1 and 1-bis, the institution has achieved a significant profit, the financial penalty is increased by a third.

In relation to all the crimes provided for by art. 25-quinquiesdecies of D.Lgs. 231/01, the interdictive sanctions referred to in Article 9, paragraph 2, letters c), d) and e).

3. Contraband offences (Art. 25-sexiesdecies of the Decree)

The D. Lgs. n.75/2020 has ordered the introduction of art. 25-sexiesdecies in D.Lgs. 231/01 providing, in relation to the commission of the offences provided for by the decree of the President of the Republic 23 January 1973, n. 43, the application to the entity of the pecuniary sanction up to two hundred shares.

Art. 25-sexiesdecies
Contraband

((1. In relation to the commission of the offences provided for by the decree of the President of the Republic of 23 January 1973, n. 43, the financial penalty up to two hundred shares applies to the entity.
2. Where the border charges due exceed EUR 100000, the institution shall be subject to a financial penalty of up to four hundred instalments.
3. In the cases provided for in paragraphs 1 and 2, the institution shall be subject to the interdictive sanctions provided for in Article 9, paragraph 2, paragraphs c), d) and e).)

It should be noted that, pursuant to Article 1, paragraph 1, of Legislative Decree No. 15 January 2016, n. 8, "Do not constitute a crime and are subject to the administrative sanction of payment of a sum of money all violations for which there is only the penalty of the fine or fine"; however, pursuant to paragraph 4 of the same provision - as amended by art. 4, paragraph 1, of D.Lgs. 14 July 2020, n. 75 -, the decriminalization in question does not operate in relation to the offences referred to in D.P.R. 43/1973 ("TULD") when the amount of border fees due is more than € 10,000.
Therefore, the cases of smuggling analysed in this chapter, if they are sanctioned with the sole penalty, note for the purpose of liability of entities pursuant to Legislative Decree No. 231/2001 only when the amount of border charges due is greater than € 10,000 - as below this threshold are not crimes, but administrative offences (as such not to be assumed as a condition of liability of the agency ex D.Lgs. 231/01), as well as in aggravated cases punished with a custodial sentence (to be considered as an autonomous crime, pursuant to art.1, paragraph 2, of Legislative Decree no. 8/2016) and in the cases of recidivism referred to in art. 296 of TULD3.

4. Crimes against cultural heritage and against cultural and landscape heritage (art. 25-septiesdecies and 25-duodevicies of the Decree)

Art. 25-septiesdecies
Crimes against the cultural heritage

1. In relation to the commission of the crime provided for in Article 518-novies of the Criminal Code, the financial penalty from one hundred to four hundred shares shall apply to the entity.
2. In relation to the commission of the offences provided for in Articles 518-ter, 518-decies and 518-undecies of the Penal Code, the financial penalty from two hundred to five hundred shares shall apply to the entity.
3. In relation to the commission of the offences provided for in Articles 518-duodecies and 518-quaterdecies of the Criminal Code, the financial penalty of three hundred to seven hundred shares shall apply to the entity.
4. In relation to the commission of the offences provided for in Articles 518-bis, 518-quater and 518-octies of the Penal Code, the financial penalty from four hundred to nine hundred instalments shall apply to the entity.

5. In the case of conviction for the crimes referred to in paragraphs 1 to 4, the institution shall be subject to the interdictive sanctions provided for in Article 9, paragraph 2, for a period not exceeding two years.

Art. 25-duodevicies
Recycling of cultural goods and destruction and looting of cultural and landscape heritage

1. In relation to the commission of the offences provided for in Articles 518-sexies and 518-terdecies of the Criminal Code, the financial penalty from five hundred to one thousand shares shall apply to the entity.
2. If the institution or one of its organisational units is permanently used for the sole or overriding purpose of allowing or facilitating the commission of the offences referred to in paragraph 1, the sanction of the definitive prohibition from the exercise of the activity pursuant to Article 16 shall apply, paragraph 3.

Annex B: The Confindustria, Assilea, ASSOFIN and ABI Guidelines

During the development of the Company Compliance Program, reference was made to the Confindustria, Assilea and ASSOFIN Guidelines summarized below.

Confindustria Guidelines

The fundamental principles, indicated by the Confindustria Guidelines for the development of Compliance Programs, may be outlined as follows:

- Identification of risk areas, in order to ascertain in which company area/sector the offences
- may occur;
- Introduction of a control system capable of preventing the risks with the adoption of
- appropriate procedures.

The most relevant components of the control system proposed by Confindustria are:

- A code of conduct;
- An organizational system;
- Manual and computer procedures;
- Delegation of authority and signatory powers;
- Control and management systems;
- Communication with personnel and training.

The control system components must reflect the following principles:

- Verifiability, traceability, consistency and fairness of every transaction;
- Application of the criterion of segregation of duties (no person should
- independently manage the entire process);
- Documentation of the controls;
- Introduction of an appropriate sanctioning system with regard to violation of the
- rules of the code of conduct and the procedures contemplated by the Compliance
- Program.
- Identification of the requisites of the Supervisory Body, namely:
- Autonomy and independence;
- Professional competence;
- Continuity of action;
- Integrity and absence of conflicts of interest.
- Characteristics of the Supervisory Body (composition, function, powers, etc.) and relevant
- disclosure obligations.

To ensure the necessary freedom of initiative and independence, it is essential that no operational tasks be assigned to the Supervisory Body which, by involving it in operational decisions and activities, would compromise its impartiality when assessing conduct and the Program.

The Guidelines provide that the Supervisory Body may be composed of one or more persons. The decision to opt for one solution or another must take into account the objectives

of the law and, consequently, must ensure an effective level of controls consistent with the size and organizational complexity of the entity.

When the Supervisory Body is composed of more than one person, its members may be drawn from within the company or from external sources, providing that each member possesses the above-mentioned requisites of autonomy and independence. On the other hand, in the case of a mixed composition, considering that the internal members are not totally independent of the entity, the Confindustria Guidelines require that the degree of independence of the Supervisory Body be evaluated as a whole.

Bearing in mind the fact that the legislation in discussion concerns the penal code to a great extent and that the activity of the Supervisory Body is intended to prevent the commission of offences, it is essential, that said Board be aware not only of the nature, but also of the manner in which the offences may be committed; such information may be obtained by utilizing the internal resources of the Company, or with the support of external consultants, if necessary.

In this regard, for matters concerning health and safety at work, the Supervisory Body must seek the support of all the resources assigned to the management of such aspects (such as the Head of the Prevention and Protection Service, the staff assigned to the Prevention and Protection Service, the Workers' Safety Representative, the Competent Physician, the personnel responsible for first aid, and the person responsible for emergency management in case of fire).

In the case of a group of companies, it is possible to centralise the functions contemplated by Legislative Decree 231/01, at the parent company level, provided that:

- A Supervisory Body is set up at each subsidiary company (without prejudice to the possibility to attribute this role to the board of directors, when the subsidiary is a small company);
- The Supervisory Body of the subsidiary company may use the resources allocated to the Supervisory Body at the Group parent company;
- The staff assigned to the Supervisory Body of the Group parent company act in the capacity of external professional consultants, who perform their activity on behalf of the subsidiary company and report directly to the Supervisory Body of the subsidiary company.
-

Assilea Guidelines

Moreover, reference was made to the "Guidelines for the preparation of Compliance Programs for finance leases and leasing activities in general" by Assilea, which are applicable to companies engaging in the leasing business. Like the Confindustria Guidelines,

the Assilea Guidelines provide:

a. The analysis of Legislative Decree 231/01 and the offences adopted by it to date;
b. The requisites of the Supervisory Body and the possible alternatives to identify a body which should perform the duties provided for by Legislative Decree 231/01 (internal

body characterised by autonomy, independence, expertise and continuity of action. This autonomy is predicated on the fact that the Supervisory Body reports directly to the board of directors);

c. Several recommendations for the development of the Program (similar to those indicated by the Confindustria Guidelines).

In addition, they are based on principles and methodologies similar to those under the Confindustria Guidelines.

Guidelines of the Italian Association for Consumer Credit and Mortgage Credit (ASSOFIN)

As ASSOFIN is CA Auto Bank S.p.A.'s trade association of reference in the preparation of this Compliance Program (henceforth the "Program"), the Company's Compliance Program was inspired by its guidelines.

These guidelines provide:

- The analysis of Legislative Decree 231/01 and the offences adopted by it to date;
- The requisites of the Supervisory Body and the possible alternatives to identify a body
- which should perform the duties provided for by Legislative Decree 231/01;
- Several recommendations for the development of the Program (similar to those indicated by the Confindustria Guidelines).

For each type of offence ASSOFIN indicated the parties in the Company that a e more likely to commit them, listing a number of examples and the preventive controls to be introduced in the context of the riskier processes.

The Guidelines outline also the minimum principles that should be contained in the company's code of conduct and the sanctioning mechanisms to be implemented with respect to the company's employees and consultants/suppliers or other parties that have contractual relationships with the company.

To be sure, the choice not to adapt the Program to certain recommendations contained in the Guidelines does not affect its validity. The single Program can, in fact, deviate from the Guidelines, which are general in nature.

Guidelines of the Italian Banking Association (ABI) – Self-laundering

Lastly, reference was made to the Guidelines of the Italian Banking Association (ABI) in relation to Self-laundering, introduced in the list of offences by Law no. 186 of 2014. In particular, according to ABI, the new offence introduces the need to upgrade the sensitive processes in the Compliance Program (231 Model) to prevent Companies from acting in ways that might prevent the identification of any illicit origin of the assets. ABI's stance is to upgrade the Compliance Program by focusing on the Company's cash flows, identified as the process intended to prevent obstacles in the identification of the origin of the assets. Moreover, it is worthy of note that the Guidelines issued by Assilea, which have been

mentioned previously, also referred to ABI’s Guidelines.

Annex C: Appendix

Please refer to the Excel File adopted by the Company and called "Appendix", where they are indicated, in relation to the Sensitive and Instrumental Processes listed in this Model and falling within a specific Crime Family:

- the Functions / Management involved;
- internal processes and related business procedures.

Annex D: Information flows to the Supervisory Body

Sensitive Process / Instrumental Process	Reference in the Special Part	Workflow description	Timing
Management of customer relations ***Management of remarketing activities***	Section 2.1 - Sensitive Processes in the field of crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority	Communicate, without delay, to their hierarchical manager or to the management of the Company and, at the same time, to the Supervisory Body any conduct carried out by those who work for the counterparty, aimed at obtaining favors, illicit donations of money or other utilities, including to third parties, as well as any criticality or conflict of interest arising within the relationship.	Ad eventum
Management of administrative obligations, relations with the Supervisory Authorities and related inspection activities	Section 2.1 - Sensitive Processes in the field of crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority	Communicate, without delay, to your hierarchical manager or to the management of the Company and at the same time to the Supervisory Body, any conduct carried out by those who work with the public counterparty, aimed at obtaining favors, illicit donations of money or other utilities, including to third parties, as well as any critical issues or conflicts of interest arising in the context of the relationship with the Public Administration.	Ad eventum
		Promptly report to the Supervisory Body any inspections received and/or in progress, specifying: (i) Public Administration proceeding; (ii) participating parties; (iii) subject of the verification and (iv) period of performance.	Ad eventum
		Transmit to the Chief Executive Officer and the Supervisory Body the minutes signed by the Public Authorities containing prescriptions, sanctions, findings, etc.	Ad eventum
		To transmit to the Supervisory Body, every six months, the list of proxies and proxies issued to corporate representatives in order to maintain relations with the Public Administration.	Half yearly
Management of litigation and relations with the Judicial Authority	Section 2.1 - Sensitive Processes in the field of crimes	All Recipients must promptly notify, through the existing communication tools within the Company (or by any means of communication, provided	Ad eventum

and management of settlement agreements	against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority	that in compliance with the principle of traceability), the Supervisory Body of each act, subpoena to testify and judicial proceedings (civil, criminal or administrative) involving them, in any respect, in relation to the work performed or otherwise related to it.	
Management of purchases of goods and services (including advice)	Section 2.1 - Sensitive Processes in the field of crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority Section 2.12 - Tax Sensitive Processes	Report to the Supervisory Body: ○ unusually high commission requests; ○ requests for reimbursement of expenses not properly documented or unusual for the operation in question.	To event
Selection and management of business partners	Section 2.1 – Sensitive Processes in the field of the Public Administration and crimes of induction not to make statements or make false statements to the Judicial Authority	To communicate promptly to their hierarchical manager or to the management of the Company and, at the same time, to the Supervisory Body, also through the existing communication tools within the Company, any suspicious behaviour or activity by those operating for the counterparty.	Ad eventum
Management of cash flows ***Management and valuation of loans to customers***	Section 2.1 - Sensitive Processes in the field of crimes against the Public Administration and crimes of induction not to make statements	Communicate, without delay, to the company management and at the same time to the Supervisory Body, any critical issues that may arise in the context of the activity under consideration.	Ad eventum

Management of intercompany relationships	or to make false statements to the Judicial Authority Section 2.12 - Tax Sensitive Processes	Report to the Supervisory Body, every six months, the results of the checks carried out on cash flows in and out, with indication of any anomalies found (for example, lack of supporting documentation, flows related to purposes not related to the business, etc.).	half-yearly
Gift management, gifts, events and sponsorships	Section 2.1 - Sensitive Processes in the field of crimes against the Public Administration and crimes of induction not to make statements or to make false statements to the Judicial Authority	Provide a periodic report to be sent to the Supervisory Body on gifts, events, sponsorships and loans.	Annual
Management of business relationships with customers, the management of remarketing activities and the management and evaluation of credits to customers	Section 2.12 - Tax Sensitive Processes	Communicate, without delay, to the company management and at the same time to the Supervisory Body, any critical issues that may arise in the context of the processes under consideration.	Ad eventum
Management of expenditure notes and representation expenses	Section 2.12 - Tax Sensitive Processes	Communicate, without delay, to your hierarchical manager or to the management of the Company and at the same time to the Supervisory Body any conduct aimed at obtaining an unlawful advantage for the Company.	Ad eventum
Accounting, budgeting and tax management	Section 2.12 - Tax Sensitive Processes	To report both the existence of errors or omissions in the accounting process of the management facts and behaviours not in line with the above-mentioned forecasts to your hierarchical manager or the corporate management and, at the same time, to the Supervisory Body.	Ad eventum