ORGANISATION AND MANAGEMENT MODEL PURSUANT TO LEGISLATIVE DECREE 231/2001

This Organisation and Management Model pursuant to Legislative Decree 231/2001 is approved by the Sole Director on 21 December 2016 and this amendment (Revision no.6) was approved by the Board of Directors on 05/09/2025

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GENERAL PART

1. Corporate Criminal Liability

1.1 Legal nature of liability

The Italian legislator has responded to the need, arising at the international and EU level, to provide for a punitive system applicable to legal entities, choosing to create a new type of liability which, although presenting the essential features of the criminal system in an administrative context, has outlined a tertium genus of liability that applies both to entities with legal personality and to companies and associations without legal personality.

Italy has thus remained anchored to the classic constitutional principle of Article 27, which establishes criminal liability only for natural persons.

Since Italian law does not allow for criminal liability of legal entities, due to the persistence of the individualistic principle of Roman origin "Societas delinquere non potest", the legislator did not address the issue of constitutional reform, considering it possible to identify para-criminal sanctioning mechanisms that could still be directly applied to companies and legal entities.

With Law no. 300 of 29/09/2000, Article 11, the Italian legislator delegated the Government to implement in the legal system the principles set out in the following European measures:

- Brussels Convention of 26/07/1995 on the protection of the financial interests of the European Community;
- Brussels Convention of 26/05/1997 on the fight against corruption involving officials of the European Community or Member States;
- OECD Convention of Paris of 17/12/1997 on combating bribery of foreign public officials in international business transactions, which provides for the liability of legal persons to be sanctioned.

In particular, Article 11 delegates the Government of the Republic

> "to issue […] a legislative decree concerning the regulation of the administrative liability of legal persons and companies, associations or entities without legal personality that do not perform functions of constitutional significance".

The content of this delegation introduces an absolute novelty into the Italian legal system, amounting to a Copernican revolution in the system of liability, by providing, for the first time, a liability defined as administrative, which affects legal entities in their various forms, specifying that such entities do not perform functions of constitutional significance.

The distinguishing features of this liability, as expressly indicated in the Delegation Law, are as follows:

- "liability arises solely in relation to the commission of offences" provided for by specific legislation (Art. 11 letters a, b, c, d);
- liability arises only for "offences committed, to their (the entity's) advantage or in their interest" (Art. 11 letter e);
- the persons who must commit the predicate offences, in order to trigger such liability, are natural persons who perform functions of representation, administration or management, or who also de facto exercise management and control powers (Art. 11 letter e);
- offences may also be committed by persons subject to the direction or supervision of the aforementioned natural persons, and the liability of the legal entity arises when the commission of the offence was made possible by "failure to comply with the obligations connected to such functions" (Art. 11 letter e);

- exclusion of liability for legal entities in cases where the perpetrator committed the offence exclusively in their own interest or that of third parties (Art. 11 letter e).

The Delegation Law then provides specific indications regarding the nature and limits of the sanctions to be provided as a consequence of the finding of liability (Art. 11 letters f, g, h, i, l, m, n, o, p).

A peculiarity for the Italian legal system is introduced by Art. 11 letter q), which provides that administrative sanctions against entities are to be applied by the judge competent to hear the offence, and therefore by the criminal judiciary, and that, for the procedure for ascertaining administrative liability, the provisions of the Code of Criminal Procedure shall apply, insofar as they are compatible.

The Delegation Law provides for the types of offences that give rise to the administrative liability of the entity; this catalogue has been expanded over the years through the inclusion, among others, of the offences provided for in Articles 589 and 590 of the Criminal Code committed in violation of the rules for the prevention of workplace accidents or relating to the protection of hygiene and health at work, and offences concerning the protection of the environment and territory.

Legislative Decree 231/2001, confirming the basis of the entity's liability and the sanctioning regime, as highlighted in the accompanying Report, that "the offence must also constitute an expression of company policy or at least result from an organisational fault", nevertheless introduces innovations compared to the Delegation Law.

The Report states:

> "the entity is in practice required to adopt behavioural models specifically calibrated to the risk of the offence, i.e., aimed at preventing, through the establishment of rules of conduct, the commission of certain offences".

A modular system of organisation, management and control of activities is therefore provided, with protocols for the prevention of the attempt and commission of offences specifically provided for by law. This innovation constitutes a "reward effect" that entails exemption from liability for the entity, when the "Model is adopted" and is "effectively implemented" according to the rules set out in the legislative decree.

This clearly demonstrates the legislator's intention to ensure that companies apply good internal organisation rules, providing for the methods of carrying out activities in accordance with the law, in order to prevent the methods themselves from becoming a breeding ground for offences.

The legislator considered this the best way to marginalise phenomena of criminality and illegality by and within companies and to ensure that the occurrence of offences remains exceptional and not easily repeatable.

The preventive, and where possible, deterrent effect of offences is linked to the ante factum model, i.e., a Model that the entity has adopted and implemented before the offence was committed or attempted. However, the legislator's intention to facilitate as much as possible the achievement of an organisation through the aforementioned Models is found in the possibility of implementing post factum Models, i.e., after the commission of the offence, which, in such cases, still allow for certain reward effects.

In conclusion, the direct and autonomous administrative liability of the entity is based on "organisational fault", but it is provided that it may be excluded if the Management Body has adopted and effectively implemented, "before the commission of the act", Organisation and Management Models "suitable for preventing" the offences specifically provided for by law as a prerequisite for such liability.

1.2 Essential Principles of Liability

a) Liability of "Entities" for Administrative Offences Dependent on a Crime (Art. 1, par. 1)

Legislative Decree 231/01 establishes a "mandatory" regime, placing on Companies and Entities a specific "legal obligation": that of adopting an organisation and safeguards aimed at preventing the commission of predicate offences specifically indicated, in their own interest or to their own advantage, by "top management" or "subordinate" persons operating within the Company or Entity.

The commission of such offences by the aforementioned persons, in the interest or to the advantage of the Entity, is in fact attributed to its direct liability for "organisational fault", in addition to the liability of the individual perpetrator, and the Entity will therefore be subject to the sanctions provided for by Legislative Decree 231/01.

Just as the rules that establish a sanctioning regime for those who carry out a certain conduct, whether by action or omission, impose a precise obligation on the individual to refrain from such conduct, similarly the sanctioning regime under Legislative Decree 231/01 imposes an obligation on the Company or Entity to ensure that those operating within or outside it refrain from conduct constituting predicate offences in its interest or to its advantage.

The Italian legislator, considering that the legal entity acts not directly but through natural persons, by means of the so-called "organic identification" principle, and that, therefore, it is not conceivable that the Company or Entity can in any way "prevent" the commission of offences by such natural persons, has identified a minimum "behaviour" which, if implemented by the Company or Entity, results in its exemption from liability: the adoption and effective implementation of an Organisation and Management Model meeting the requirements of Articles 6 and 7 of Legislative Decree 231/01 and Article 30 of Legislative Decree 81/08.

Thus, there is commonly talk of a "burden" regarding the adoption of such an Organisation and Management Model, in the sense that the mere absence of such a Model, outside cases of commission of a predicate offence meeting the subjective and objective requirements set out in Legislative Decree 231/01, is not in itself prosecuted or sanctioned.

Nevertheless, the regime under Legislative Decree 231/01 does impose an "obligation" on Companies and Entities, placing on them the responsibility for non-compliance and providing for the relevant severe sanctions.

b) *Predicate Offences of Liability*

These are offences expressly listed by the legislator in Section III "Administrative Liability from Offence" of Legislative Decree 231/01, from the commission or attempted commission of which the Entity's administrative liability arises.

c) Recipients (art. 1 D.lgs. 231/01)

The provisions apply to:

- Entities with legal personality that do not perform functions of constitutional significance;
- Companies and Associations, even without legal personality, that do not perform functions of constitutional significance.

The provisions do not apply to:

- The State and territorial public entities;
- Entities performing functions of constitutional significance;
- Other non-economic public entities.

d) Persons in Top Management Positions (Art. 5, para. 1, letter a, Legislative Decree 231/01)

- Persons who hold functions of representation, administration or management of the Entity or of one of its organisational units with financial and functional autonomy;
- Persons who, even de facto, manage and control the Entity.

In the case of corporate offences under Article 25-ter of Legislative Decree 231/01:

- Directors, general managers or liquidators.

The commission or attempted commission of a predicate offence by any of these persons, in the presence of the further prerequisites identified below, gives rise to the Entity's Administrative Liability.

By way of example, the following are considered "top management":

- The Sole Director
- The Chairman of the Board of Directors
- The Chief Executive Officers
- Non-executive Directors
- Directors of limited liability companies with joint or separate administration
- Members of the Management Board in the dualistic system
- The de facto Director and the so-called "shadow Director".

e) *Persons Subject to the Direction of Others (Art. 5, para. 1, letter b, Legislative Decree 231/01)*

Persons subject to the direction or supervision of one of the persons in a top management position.

The commission or attempted commission of a predicate offence by any of these persons gives rise to the Entity's Administrative Liability, if it was made possible by the failure to comply with the obligations of direction or supervision by the "top management" (see below, definitions).

f) The Requirement of Interest and Advantage (Art. 5, para. 1, Legislative Decree 231/01)

Objective prerequisite of administrative liability.

The Entity is liable for offences committed in its interest or to its advantage:

- "Interest" implies that the offence is aimed at obtaining a benefit for the Entity, without requiring that such benefit is actually achieved.

The assessment of the Entity's interest must be made ex ante, i.e., considering the purpose that the natural person envisaged when committing the offence and whether they acted with the prospect of obtaining a benefit for the Entity, understood as any positive effect;

- "Advantage" is the actual acquisition of an economic or other benefit by the Entity as a consequence of the offence.

The advantage requires an ex post assessment, i.e., after the commission of the offence, to verify whether the Entity has actually derived a concrete beneficial effect from it.

With regard to negligent offences, first and foremost the offences of manslaughter and serious or very serious personal injury committed in violation of the rules on the protection of health and safety at work, introduced among the predicate offences of Administrative Liability for the first time by Article 9 of Law 123/07, later replaced by Article 300 of Legislative Decree 81/08, the concepts of "interest" and "advantage" have been specifically interpreted by the courts.

There is, in fact, an apparent contradiction between these concepts and the absolutely negative effects that are notoriously suffered by the Entity as a result of a serious or fatal accident.

It has therefore been clarified that "interest" and "advantage" must not be assessed as a positive effect envisaged, in the first case, or as a consequence realised, in the second, of the event of death or injury, which would obviously be impossible.

Interest and advantage must instead be related to the conduct, whether by action or omission, carried out in violation of the rules protecting health and safety at work, conduct which may well result in a benefit for the Entity, for example in terms of cost savings (see, e.g., Trib. Trani – Molfetta Branch, judgment of 26.10.2009).

These requirements therefore exist where the person who violated the rules on health and safety at work intended thereby to bring a benefit to the Entity, or in fact thereby produced a positive effect, even in terms of savings, even though the event of death or injury that subsequently occurred actually caused the Entity only serious harmful consequences.

g) Exemption from Administrative Liability (Art. 5, para. 2, Art. 6, para. 1 and Art. 7, paras. 1 and 2, Legislative Decree 231/01)

- The Entity is not liable if the individuals have acted in their **exclusive own interest** or **in the exclusive interest of third parties** (Art. 5, para. 2, Legislative Decree 231/01).
- The Entity is not liable for predicate offences committed by **persons in top management positions** if it proves that:
    1. The Board of Directors has adopted and effectively implemented, prior to the commission of the offence, Organisation and Management Models suitable for preventing offences of the type that occurred (Art. 6, para. 1, letter a, Legislative Decree 231/01);
    2. The task of supervising the functioning and observance of the Models and ensuring their updating has been entrusted to a body of the Entity with autonomous powers of initiative and control. In small Entities, this task may be performed directly by the Management Body (Art. 6, para. 1, letter b and para. 4, Legislative Decree 231/01);
    3. There was no omitted or insufficient supervision by the body referred to in the previous point (Art. 6, para. 1, letter d, Legislative Decree 231/01);
    4. The individuals committed the offence by fraudulently circumventing the Organisation and Management Models (Art. 6, para. 1, letter c, Legislative Decree 231/01).

From this last provision, the important principle is derived that the Company is not required to "prevent" and "actually exclude" the commission of predicate offences—which would be impossible in practice—but to create an organisational system such that the offence can only be committed by circumventing the preventive safeguards constituted by procedures and by fraudulently evading the control systems in place.

The Entity is not liable for predicate offences committed by **persons subject to the direction or supervision of top management**, if:

- The commission of the offence was not made possible by the failure to comply with the obligations of direction or supervision (Art. 7, para. 1, Legislative Decree 231/01);
- If the Entity, prior to the commission of the offence, has adopted and effectively implemented an Organisation, Management and Control Model suitable for preventing offences of the type that occurred. In this case, by law, "in any case … the failure to comply with the obligations of direction or supervision is excluded" (Art. 7, para. 2, Legislative Decree 231/01).

1.3 Definitions

Model The Organisation and Management Model pursuant to Legislative Decree 231/01, integrated with Article 30 of Legislative Decree 81/08, adopted by the Company for the prevention of Entity liability for administrative offences dependent on a crime.

Board of Directors The administrative body responsible for the management of the Company, which carries out the operations necessary for the achievement of the corporate purpose (Art. 2380-bis of the Italian Civil Code). It is the body required to adopt and effectively implement the Model (Art. 6, para. 1, letter a, Legislative Decree 231/01) and to make any amendments and additions necessary to keep it continuously aligned with the Company's risk profile.

Persons in Top Management Positions (art 5, para. 1, letter a, Legislative Decree 231/01): a) persons who hold functions of representation, administration or management of the Entity or of one of its organisational units with financial and functional autonomy; b) persons who, even de facto, manage and control the Entity.

In the case of corporate offences under Article 25-ter of Legislative Decree 231/01: directors, general managers or liquidators.

By way of example, the following are considered "top management":

- the Sole Director (i.e., the single-member administrative body, "Amministratore Unico")
- the Chairman of the Board of Directors;
- the Chief Executive Officers;
- the Delegated Directors;
- Non-executive Directors;
- Directors of limited liability companies with joint or separate administration;
- Members of the Management Board in the dualistic system;
- the de facto Director and the so-called "shadow Director".

Persons Subject to the Direction of Others *(Art. 5, para. 1, letter b, Legislative Decree 231/01)*: Persons subject to the direction or supervision of one of the persons in a top management position.

This category includes, by way of example:

- subordinate workers;
- employees of third parties working for the Entity under supply or secondment agreements;
- project-based and occasional workers;
- external collaborators, such as agents, sales representatives, franchisees, distributors, consultants, experts, self-employed workers and professionals;
- providers of outsourced activities, under contracts for work, service contracts, or service supply contracts.

Sensitive Activity A process or activity within which there is a risk of commission of one or more offences provided for by Legislative Decree 231/01.

Units The sanctioning system provided for by Legislative Decree 231/2001 is governed by Article 11, which identifies the criteria for determining the two parameters—namely, the number of units (from a minimum of 100 to a maximum of 1,000) and their value—through which the amount of the pecuniary sanction to be imposed on the Entity is established. The value of each unit may range from a minimum of €258 to a maximum of €1,549, determined according to the economic and financial conditions of the Entity.

Supervisor Body (O.d.V.) "The Entity's body with autonomous powers of initiative and control" to which the Entity has entrusted "the task of supervising the functioning and observance of the models, and ensuring their updating" (Art. 6, para. 1, letter b, Legislative Decree 231/01). With reference to the prevention of predicate offences under Articles 589 and 590, para. 3, of the Criminal Code, the organisational model must provide for "an appropriate system of control over the implementation of the model itself and the maintenance over time of the adequacy of the measures adopted…" (Art. 30, para. 4, Legislative Decree 81/08).

Sanctioning System "Disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model" (Art. 7, para. 4, letter b, Legislative Decree 231/01). With reference to the prevention of predicate offences under Articles 589 and 590 of the Criminal Code, the model must provide for "a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model" (Art. 30, para. 3, Legislative Decree 81/08

Code of Ethics and Conduct A document containing the principles and guidelines adopted by the Entity, aimed at expressing the principles of corporate ethics that the Entity recognises as its own and which it requires all top management, employees and external collaborators to observe.

1.4 Legislative and Case Law Developments in Liability under Legislative Decree 231/01

1.4.1 The Crime of Self-Laundering

Law No. 186 of 15 December 2014, published in the Official Gazette No. 292 of 17 December 2014, entered into force on 1 January 2015 and introduced the crime of self-laundering under Article 648-ter.1 of the Criminal Code, which provides as follows: "*Anyone who, having committed or participated in the commission of a non-negligent felony, uses, substitutes, or transfers, in economic, financial, entrepreneurial, or speculative activities, money, assets, or other benefits deriving from the commission of such felony, in such a way as to concretely hinder the identification of their criminal origin, shall be punished by imprisonment from two to eight years and a fine from €5,000 to €25,000. Imprisonment from one to four years and a fine from €2,500 to €12,500 shall apply if the money, assets, or other benefits derive from the commission of a non-negligent felony punishable by imprisonment of less than five years.*

The penalties provided for in the first paragraph shall in any case apply if the money, assets, or other benefits derive from a felony committed under the conditions or for the purposes referred to in Article 7 of Decree-Law 13 May 1991, No. 152, converted, with amendments, by Law 12 July 1991, No. 203, and subsequent amendments.

Except as provided in the preceding paragraphs, conduct whereby the money, assets, or other benefits are intended for mere personal use or enjoyment is not punishable.

The penalty is increased when the acts are committed in the exercise of banking or financial activity or other professional activity.

The penalty is reduced by up to half for those who have effectively acted to prevent the conduct from having further consequences or to secure evidence of the crime and the identification of the assets, money, and other benefits deriving from the felony. The last paragraph of Article 648 applies.".

The aforementioned Law also intervenes in the area of administrative liability of Entities by including the new crime among those referred to in Article 25-octies of Legislative Decree 231/2001. Specifically, the Entity shall be punished with a pecuniary sanction from 200 to 800 units, increased from 400 to 1,000 in cases where the money, assets, or other benefits derive from a felony for which the maximum penalty is more than five years' imprisonment.

The limits to the applicability of this crime, and in particular the legal reservation whereby "except as provided in the preceding paragraphs, conduct whereby the money, assets, or other benefits are intended for mere personal use or enjoyment is not punishable," have been clarified by the Supreme Court with judgment No. 30399/2018, concerning a case in which the appellant claimed not to have committed the crime in question since the funds—derived from the predicate offence of bankruptcy—were used to repay a personal loan. The Supreme Court, rejecting the appeal, clarified that the perpetrator is only the person who committed or participated in the predicate offence and that the conduct under paragraph 4 of Article 648-ter.1 is characterised by the "destination" of the money, to be understood as mere personal use or enjoyment. The perpetrator, therefore, must use the asset directly and not subject it to laundering operations to hinder its criminal origin.

The Court further stated that "the legislator intended to retain for the self-launderer a narrow area of privilege, limiting it to the two specific cases of mere use and personal enjoyment of the assets derived from the predicate offence." It would therefore be paradoxical, the judgment concludes, to allow the perpetrator of the predicate offence to carry out a typical self-laundering operation (such as making the proceeds of the offence untraceable) and, at the same time, allow them to benefit from the non-punishability clause. Hence, the principle of law

established is that "the perpetrator may be exempt from criminal liability only and exclusively if they use or enjoy the assets derived from the predicate offence directly and without carrying out any operation on them that concretely hinders the identification of their criminal origin."

Moreover, the Supreme Court has found the administrative liability of the entity for the commission of the crime of self-laundering in a case where the entrepreneur did not pay his employees. In judgment No. 25979/2018, the Supreme Court confirmed the application of the precautionary measure of preventive seizure for confiscation against the top management of a company for the crimes of extortion and self-laundering. The crime of extortion was allegedly committed by the entrepreneur by forcing several employees to accept wages lower than those shown on their payslips and to work longer hours than contractually established, while the crime of self-laundering was allegedly committed by using in the business activity the money derived from the crime of extortion, in such a way as to concretely hinder the identification of the origin of the sums.

In light of the above, it emerges that, given the structure of the crime of self-laundering, aimed at hindering the identification of the criminal origin of the assets reintroduced into the legal circuit, it is necessary for the purposes of punishability that such conduct is carried out in the corporate context in the interest or to the advantage of the entity, which must allocate to itself or to third parties the proceeds of the non-negligent felony committed.

1.4.2 Amendment of the Offence of False Corporate Communications

Law No. 69 of 27 May 2015, which entered into force on 14 June 2015, introduced amendments to our legal system, revising the rules on offences against public administration, the crime of mafia-type association, and corporate crimes, particularly regarding false corporate communications.
This legislative reform also affected the administrative liability of Entities, since corporate crimes (and, in particular, false corporate communications) are among the predicate offences under Legislative Decree 231/2001.
Before the reform, Article 2621 of the Civil Code punished the crime of false corporate communications as a contravention of danger, i.e., when there was no damage to shareholders or creditors, while Article 2622 punished the crime as a felony of result, i.e., when damage to shareholders or creditors resulted from the false communication.
The reform eliminated the distinction between false corporate communications with or without damage, bringing them under a single criminal provision, with differentiation depending on whether the company is unlisted (Art. 2621 Civil Code) or listed (Art. 2622 Civil Code).
Furthermore, Article 2621-bis was introduced (also relevant for Legislative Decree 231/2001), which constitutes a mitigating circumstance for cases where the facts under Article 2621 are of minor significance, considering the nature and size of the company and the manner or effects of the conduct.
Specifically, the main changes introduced by the legislative reform, and confirmed and clarified by the Supreme Court in judgment No. 890/2016, can be summarised as follows:

- Instead of the previous contraventional nature, the legislator has given the above offences the nature of felonies, increasing custodial penalties for responsible individuals and pecuniary penalties for the administrative liability of Entities;

- The post-reform offences are all offences of danger, thus broadening the scope of liability, as it is no longer necessary for actual damage to occur, but only the mere risk of damage;

- The reformed offences are prosecutable ex officio, except as provided in the last paragraph of Article 2621-bis for companies not subject to bankruptcy and composition with creditors under Article 1, para. 2, of the Bankruptcy Law (Royal Decree No. 267/1942);

- As for the mental element, specific intent is maintained, but the intentional intent to deceive is no longer required;

- The use of the expression "material relevant facts" in the statutory text should be interpreted, according to the Supreme Court, as follows: i) "relevance" in a technical sense, using the principles of accounting and business science; ii) "materiality" in relation to the fundamental function of information, to which financial statements and other corporate communications addressed to shareholders and the public are aimed, with the understanding that the information itself must not be "misleading" or such as to distort the recipients' decisions.

- "Relevance" is used as a criterion instead of the thresholds for punishability provided before the reform, which are not included in the new statutory text.

Following the above legislative changes, it is necessary to establish the criminal relevance of so-called "valuation falsehoods". The importance of this clarification lies in the presence in the financial statements of evaluative statements, resulting from a conceptual operation consisting in assigning a value, expressed in numerical terms, to certain components (positive or negative).
An initial case law approach found that the removal from Article 2621 of the words "even if subject to evaluation" in effect repealed the criminal relevance of valuation falsehoods in financial statements, which should therefore be considered criminally irrelevant. In particular, the Supreme Court in judgment No. 33774/2015 held that, regarding false financial statements arising from valuations, "it is quite clear that the adoption of the same reference to material facts not corresponding to the truth, without any reference to valuations and the use of the cited formula also in the context of the description of the omission, allows us to consider the scope of the two new types of false corporate communications reduced, excluding so-called valuation falsehoods."
Contradicting the approach expressed a few months earlier, the Supreme Court, in the aforementioned judgment No. 890/2016, held that the reference to "material facts" subject to false representation does not exclude the criminal relevance of evaluative statements, as they are themselves capable of fulfilling an informative function when they occur in contexts involving the acceptance of statutorily determined or technically undisputed evaluation parameters. In particular, the Supreme Court pointed out that the removal of the expression "even if subject to evaluation" is merely a "lightening" of the statutory text, removing a clarification deemed superfluous, which adds or subtracts nothing from the semantic context of reference.
The aforementioned judgment also reaffirmed the principle of clarity and truthfulness of the financial statements, already present in the systematic reading of the code.
According to this case law interpretation, therefore:

- on the one hand, the new wording of the law still includes the case of valuation falsehoods;

- on the other hand, the valuations themselves may be considered false if they are based on objective and undisputed parameters.

Finally, the Supreme Court, Criminal United Sections, in its judgment of 27 May 2016 (hearing 31 March 2016), No. 22474, stated the following principle of law: "the crime of false corporate communications exists, with regard to the presentation or omission of facts subject to evaluation, if, in the presence of statutorily established or generally accepted technical evaluation criteria, the agent knowingly deviates from such criteria without providing adequate justification, in a manner concretely likely to mislead the recipients of the communications".
In light of the above case law, it is considered that, despite the fact that the new Article 2621 does not expressly refer to so-called valuation falsehoods, such cases are still included within the criminal provision and must therefore be assessed for the purposes of drafting this Model 231.
Following the above amendments, the following is provided:

- for the crime of false corporate communications (Art. 2621 Civil Code), the application of a pecuniary sanction from 200 to 400 units;

- for the crime under Article 2621-bis Civil Code, the application of a pecuniary sanction from 100 to 200 units;

- for the crime under Article 2622 Civil Code, the application of a pecuniary sanction from 400 to 600 units (it should be noted, however, that in this case, the offence is not relevant for the Company as it is not listed on the stock exchange).

1.4.3 Introduction of the Crime of Unlawful Intermediation and Labour Exploitation

Article 12 of Decree-Law 13 August 2011, No. 138, converted with amendments by Law 14 September 2011, No. 148, introduced Article 603-bis into the Criminal Code, which provides for the crime of Unlawful Intermediation and Labour Exploitation. This offence was subsequently amended by Law 29 October 2016, No. 199, entitled "Provisions on combating undeclared work, labour exploitation in agriculture and wage alignment in the agricultural sector" (Official Gazette No. 257 of 3-11-2016); as of today, the provision states:

« *Unless the act constitutes a more serious offence, anyone who:1) recruits manpower for the purpose of assigning it to work for third parties under exploitative conditions, taking advantage of the workers' state of need; 2) uses, hires or employs manpower, including through the intermediation referred to in point 1), subjecting workers to exploitative conditions and taking advantage of their state of need, shall be punished by imprisonment from one to six years and a fine from €500 to €1,000 for each worker recruited. If the acts are committed by means of violence or threats, the penalty is imprisonment from five to eight years and a fine from €1,000 to €2,000 for each worker recruited. For the purposes of this article, the existence of one or more of the following conditions constitutes an indicator of exploitation: repeated payment of wages manifestly different from those provided for by national or territorial collective agreements entered into by the most representative national trade unions, or otherwise disproportionate to the quantity and quality of work performed; repeated violation of the rules on working hours, rest periods, weekly rest, compulsory leave, holidays; the existence of violations of the rules on health and safety in the workplace; subjecting the worker to degrading working conditions, surveillance methods or housing situations.*

The following constitute specific aggravating circumstances and entail an increase in the penalty by one third to one half: the fact that the number of workers recruited exceeds three; the fact that one or more of the recruited persons are minors not of working age; having committed the act by exposing the exploited workers to situations of serious danger, having regard to the characteristics of the work to be performed and the working conditions».

As a result of the same law (Art. 6, para. 1), this offence was also included among the predicate offences under Legislative Decree 231/2001, with a sanction ranging from 400 to 1,000 units.

The crime of Unlawful Intermediation and Labour Exploitation, as mentioned above, is included in the Criminal Code under Title XII of Book II among offences against the person, and in particular among offences against individual freedom, and is punishable by the basic penalty of imprisonment from five to eight years and a fine from €1,000 to €2,000 for each worker recruited.

It should be noted that, pursuant to Article 1, para. 3, letter a), of Law 1 August 2003, No. 207, for all offences in Section I (Offences against Individual Personality) of Chapter III, Title XII, Book II of the Criminal Code, to which the crime of Unlawful Intermediation and Labour Exploitation belongs, the granting of a suspended sentence is excluded.

As regards the typical conduct, Article 603-bis of the Criminal Code specifies that the intermediation activity is carried out by "recruiting manpower" or "organising its work activity". Unlike the former, the latter action goes beyond mere intermediation, as it punishes not only those who supply manpower to the user, but also those who organise and thus "direct" the recruited workers. From the wording of the provision, it could therefore be considered that the offence concerns not only intermediation in the strict sense, but also the organisation of the work of the manpower, whether or not accompanied by intermediation. This doctrinal interpretation allows the scope of the offence to be extended to include conduct carried out by the entrepreneurs themselves, or their representatives, who use the personnel recruited by intermediaries. A different interpretation, focusing

on the intermediation activity, seems instead to consider that the offence is intended to punish only the intermediary (i.e., anyone who carries out an organised activity of intermediation, recruiting manpower or organising its activity), since the recruitment of manpower or its possible organisation are indicated as corollaries of the necessary intermediation activity. In this case, the offence would not be intended to punish the entrepreneur using the manpower, leaving open only the possibility, if the subjective and objective requirements are met, of possible participation in the intermediary's offence under Article 110 of the Criminal Code.

From a perspective of greater protection for the Company, it is considered appropriate to take into account the possible broad interpretation of the typical conduct of the crime of Unlawful Intermediation and Labour Exploitation and, therefore, to provide for a comprehensive mapping of this offence under Legislative Decree 231/2001.

1.4.4 Amendments to Private-to-Private Corruption and Introduction of the Crime of Instigation to Private-to-Private Corruption

With Legislative Decree no. 38/2017, published in the Official Gazette on 30 March 2017 and entered into force on 15 April 2017, the Framework Decision 2003/568/JHA of the European Council on the fight against corruption in the private sector is implemented. In particular, the legislative decree provides for the amendment of art. 2635 of the Italian Civil Code relating to corruption between private individuals and introduces two new articles: art. 2635-bis of the Italian Civil Code relating to incitement to corruption between private individuals and art. 2635-ter of the Italian Civil Code relating to ancillary penalties.

The changes introduced by the measure concern:

a) the reformulation of the crime of corruption between private individuals referred to in art. 2635 of the Italian Civil Code;

b) the introduction of the new offence of incitement to corruption between private individuals (Article 2635-bis);

c) the provision of ancillary penalties for both cases;

d) the modification of the penalties referred to in Legislative Decree no. no. 231/2001 on the liability of entities for administrative offences dependent on crime.

a) Corruption between private individuals

The new formulation of the case provided for by art. 2635 of the Italian Civil Code provides that "*Unless the fact constitutes a more serious crime, the directors, general managers, managers in charge of preparing corporate accounting documents, auditors and liquidators, of companies or private entities who, even through an intermediary, solicit or receive, for themselves or for others, money or other benefits not due, or accept the promise thereof, to perform or omit an act in violation of the obligations inherent in their office or the obligations of loyalty, shall be punished with imprisonment from one to three years. The same penalty shall be applied if the act is committed by those who, in the organisational context of the company or private entity, exercise managerial functions other than those of the persons referred to in the previous sentence. The penalty of imprisonment of up to one year and six months shall be applied if the act is committed by a person who is subject to the direction or supervision of one of the subjects indicated in the first paragraph. Anyone who, even through an intermediary, offers, promises or gives money or other benefits not due to the persons indicated in the first and second paragraphs, shall be punished with the penalties provided for therein. The penalties established in the preceding paragraphs are doubled in the case of companies whose securities are listed on regulated markets in Italy or in other States of the European Union or which are widely distributed among the public pursuant to Article 116 of the Consolidated Law on Financial Intermediation, referred to in Legislative Decree of 24 February 1998, 58, as amended. The injured party is sued, unless the fact results in a distortion of competition in the acquisition of goods or services. Without prejudice to the provisions of Article 2641, the measure of confiscation for equivalent value may not be less than the value of the benefits given, promised or offered.*"

Compared to the previous legislative provision, the sanctioning treatment remains unchanged (imprisonment from 1 to 3 years) but the typical conduct of the crime changes. In the previous case, it was considered that, following the giving or promise of money or other benefits for oneself or for others, the performance or omission of acts, in violation of the obligations inherent in the office or the obligations of loyalty, with consequent damage to the company, was punished. In the current provision, the criminally relevant conduct consists in soliciting or receiving, even through an intermediary, for oneself or for others, money or other benefits not due, or accepting the promise, to perform or omit an act in violation of the obligations inherent in their office or the obligations of loyalty.

The new case therefore seems to be constructed in terms of the crime of mere conduct, i.e. without the foresight of an event of damage; this means that the crime is today from a structural point of view similar to crimes of danger, given that by incriminating the simple conduct, without ascertaining whether this has in turn caused an event of damage, the legislator is anticipating (or retreating) the criminal protection, considering it sufficient that the conduct has been carried out, and therefore has also only caused the danger of the event, the circumstance being irrelevant whether the event then occurred or not. In the previous case, in order to consider the typical conduct integrated and therefore punish the subject, the event of damage etiologically connected to it had to be configured in addition to the typical conduct. It is therefore evident the anticipation of criminal protection and with it the greater severity with which the legislator today evaluates the case. However, this severity is all apparent given that, if this is the case, the interpreter is still required to examine whether the conduct is really offensive, and therefore respects the constitutional principle of offensiveness, because, otherwise, if the case in question were purged of the event of damage and the offensiveness of the conduct was also purged, only the irrelevance of the fact would remain because, in fact, it was harmless.

The protected legal asset also changes as a result: since the event of damage has disappeared, the object of protection is no longer the company's assets, but the fiduciary relationship between the corrupt person and the company, in which the latter carries out its activity.

Furthermore, corruption between private individuals, both active and passive, can be carried out by "intermediary", and this intermediary person contributes pursuant to art. 110 of the Criminal Code to carry out the typical case together with the corruptor and the corrupt and therefore together with the latter will be punished. Indeed, this phrase is not in itself so innovative, given that even in the previous case the concurrence of persons in an already structurally multi-subjective crime could be configured, and therefore any intermediary was in any case punished through recourse to the general rule of the concurrence of persons.

It is no longer necessary to identify a specific act committed or omitted, and therefore even the simple "getting on the payroll" is punished, just as in the field of crimes against the public administration. The specific act to be carried out or omitted is no longer relevant from the point of view of the materiality of the conduct, but only for the purpose of assessing the existence of the subjective element of specific intent.

Among the typical conducts also emerges the "*solicitation*", in addition to the reception and acceptance of the promise, which finds the inevitable corresponding modification of the third paragraph which, alongside the promise and the bestowal, today also contemplates the offering. Solicitation and offer that must be accepted or accepted, because otherwise, it would be in the different case of incitement to corruption between private individuals.

The case in question has undergone further amendments following the enactment and entry into force of Law no. 3 of 9 January 2019 (so-called "Legislative Decree no. Anti-Corruption Law), which repealed paragraph 5 of Article 2635 of the Italian Civil Code. The rule *in question, before the new amendment,* provided for the rule of admissibility of the injured party to a complaint, derogating from the possibility of ex officio prosecution only in the event that the fact resulted in a distortion of competition in the acquisition of goods or services. This provision had been introduced with Law 190/2012 in order to partially implement Framework Decision 2003/586/JHA, but given the vagueness of the concept of distortion of competition, its applicability was immediately questioned. Precisely on the basis of this consideration, the legislator, with the Anti-Corruption Law, has in any case provided for the ex officio prosecution of the present case. In particular, the new regime seems to comply with supranational directives that require States to adopt all measures to combat corruption between

private individuals, perceived as a serious tool for distorting competition. The amendment in question accentuates the shift (already partly started with Law 190/2012 with the introduction of the derogation from the regime of admissibility to a party complaint) of the object of criminal protection - originally, of a markedly private nature - towards interests of a public nature.

b) Incitement to corruption between private individuals

Article 2635-bis of the Italian Civil Code "*Anyone who offers or promises money or other benefits not due to directors, general managers, managers in charge of preparing corporate accounting documents, statutory auditors and liquidators, of companies or private entities, as well as to those who carry out a work activity in them with the exercise of managerial functions, so that he or she performs or omits an act in violation of the obligations inherent in his office or the obligations of loyalty, if the offer or promise is not accepted, he shall be subject to the penalty laid down in the first paragraph of Article 2635, reduced by one third. The penalty referred to in the first paragraph shall apply to directors, general managers, managers responsible for preparing the company's financial reports, statutory auditors and liquidators of companies or private entities, as well as to those who carry out work in them with the exercise of managerial functions, who request for themselves or for others, including through an intermediary, a promise or giving of money or other benefits, to perform or omit an act in violation of the obligations inherent in their office or of the obligations of loyalty, if the solicitation is not accepted*".

Legislative Decree no. 38/2017 had introduced this case, which could be prosecuted by a party until the entry into force of the Anti-Corruption Law which provided, following the repeal of the last paragraph, for its ex officio prosecution. The envisaged case is divided into two hypotheses:

- offer or promise money or other benefits not due to top management or managerial persons in companies or private entities, aimed at the performance or omission of an act in violation of the obligations inherent in the office or the obligations of loyalty, when the offer or promise is not accepted (paragraph 1);
- solicit for themselves or for others, even through an intermediary, a promise or donation of money or other benefits, to perform or omit an act in violation of the obligations inherent in their office or the obligations of loyalty, if the solicitation is not accepted (paragraph 2). In both cases, the penalties provided for corruption between private individuals are applied, reduced by one third.

The introduction of this article testifies to the legislator's desire to expand the incriminated conduct. The choice was between leaving 2635 of the Italian Civil Code and punishing the attempt at corruption, or also adding incitement to corruption, which is a very different thing. That is, through the introduction of incitement to corruption, the intention is to make punishable even the *unilateral attempt* at corruption (which, it should be remembered, must not result in a corrupt agreement), which otherwise could not be punished with Article 2635 of the Italian Civil Code alone, given the *bilateral structure* of corruption between private individuals. Therefore, the corruptive "negotiation" can also come from only one of the two subjects, it does not necessarily have to be a "negotiation" activated by both (corrupt and corruptor).

(c) Additional penalties

The new Article 2635-ter of the Italian Civil Code provides, in the event of conviction for the crime of corruption between private individuals, the temporary disqualification from the management offices of legal persons and companies against those who have already been convicted of the same crime or for the instigation referred to in paragraph 2 of Art. 2635-bis.

d) Penalties pursuant to Legislative Decree 231/2001

Finally, amendments to Legislative Decree 231/2001 on the liability of entities for criminal offences are envisaged:

a) for the crime of corruption between private individuals, in the cases provided for by the third paragraph of art. 2635 of the Italian Civil Code, a fine of 400 to 600 shares (instead of 200 to 400) is applied;

b) for incitement to corruption from 200 to 400 shares.

In addition to the financial penalty, there is the possibility of applying the disqualification sanctions referred to in art. 9 of Legislative Decree 231/2001, which were tightened by Law 3/2019.

The renewed Article 25, paragraph 5, of Legislative Decree 231/01 provides for a higher disqualification sanction with an edictal framework that varies according to the role of the perpetrator of the predicate crime. Specifically, if the crime is committed by the top manager, the disqualification sanctions will have a duration of not less than 4 years and not more than 7 years, otherwise if the offender is the non-top manager, the disqualification sanctions will last between 2 and 4 years.

For the sake of completeness, it should be noted that on the subject of disqualification measures, the anti-corruption law has added to art. 25 of Legislative Decree 231/01, paragraph 5 bis, which provides for a mitigated disqualification sanction (not less than 3 months and not more than 2 years) in the event that, before the first instance sentence, the Authority has effectively worked to prevent the criminal activity from being brought to further consequences, to ensure evidence of the crimes and for the identification of those responsible or for the seizure of sums and other benefits and has eliminated organizational deficiencies who determined the crime through the adoption and implementation of organizational models suitable for preventing crimes of the kind that occurred.

1.4.5 The regulation of tax crimes and their introduction in Legislative Decree no. 231/01

Legislative Decree no. 124 of 26.10.2019 (converted into Law no. 157/2019) provided for numerous and significant innovations in the field of criminal tax law, pursuant to Legislative Decree no. 74 of 10.3.2000 (regulating income tax and VAT offences), through:

- interventions on (increased) penalties and (reduced) punishability thresholds of almost all cases;
- the extension to almost all criminal tax cases of the so-called "disproportionate" or "enlarged" confiscation, referred to in art. 240-bis of the Criminal Code;
- the configuration of the only crime referred to in art. 2 of Legislative Decree 74/2000 as a "predicate crime" of the administrative liability of entities *pursuant to* Legislative Decree 231/20014.

When it was converted into law, the severity of Legislative Decree 124/2019 was generally relaxed. This has been done through:

a) the intervention on the sanctioning treatment of tax crimes referred to in Legislative Decree 74/2000 through the revision of certain penalties and the failure to reduce certain thresholds;

b) the introduction of the so-called confiscation. "disproportionate" or "extended" only to fraudulent cases (Articles 2, 3, 8 and 11 of Legislative Decree 74/2000);

c) the liability of entities pursuant to Legislative Decree 231/01 for almost all tax offences.

a) on the sanctioning treatment of tax offences pursuant to Legislative Decree 74/2000

With regard to the sanctioning changes for tax crimes referred to in Legislative Decree 74/2000, it should be noted that the legislator, with Legislative Decree no. 124/19 subsequently converted into law, provided for a tightening of penalties which led to an increase in the penalty frames and a lowering of the punishability thresholds provided. Consequently, there has been an extension of the area of criminal relevance of tax evasion.

With reference to the individual types of crime, it should be noted that:

- with reference to the "*fraudulent declaration through the use of invoices and other documents for non-existent transactions*", pursuant to Article 2 of Legislative Decree 74/2000, the penalty was increased from imprisonment of one year and six months to six years, to that of imprisonment from four to eight years. In addition, a paragraph 2 *bis* has been introduced by virtue of which the previous sanctioning treatment (imprisonment from one year and six months to six years) is maintained only in the event that the amount of fictitious liabilities is less than Euro 100,000.

- with regard to the crime of "*fraudulent declaration by other artifices*" referred to in art. 3 of Legislative Decree 74/2000, the penalty goes from imprisonment from one year and six months to six years, to imprisonment from three to eight years, while the threshold of punishability remains identical;

- with regard to the crime of *"unfaithful declaration"* referred to in art. 4, the penalty currently provided for ranges from a minimum of two years to a maximum of four years and six months, while the threshold of punishability is reduced as the evaded tax goes from Euro 150,000 to Euro 100,000 and the total amount of assets evaded from taxation is reduced from three million to two million Euros. In addition, the preliminary hearing is necessary for the related judgments.

- as regards the crime of "*failure to declare*" referred to in art. 5 of Legislative Decree 74/2000, the minimum edict is doubled to two years, while the maximum edict is raised to five years. Also for these judgments, it is considered necessary to hold a preliminary hearing.

- there is also an increase in penalties for the crime of "*issuing invoices or other documents for non-existent transactions"* referred to in art. 8 of Legislative Decree 74/2000, where the previous penalty of imprisonment from one year and six months to six years is raised to imprisonment from four years to eight, with the clarification - inserted in the new paragraph 2 *bis* - that the penalty remains that of imprisonment from one year and six months to six years "*if the amount that does not correspond to the value indicated in the invoices or documents, for the tax period, is less than Euro 100,000*".

- with reference to the crime of "*concealment and destruction of accounting documents*" referred to in art. 10 of Legislative Decree 74/2000, the sentence of imprisonment of one year and six months is increased to six years, to an edictal framework ranging from a minimum of three years to a maximum of seven years of imprisonment.

- the scope of the provision of art. 10 *bis* of Legislative Decree 74/2000 is extended which, in addition to certified withholdings, also expands to withholding taxes due on the basis of the same declaration and in this regard the heading "*failure to pay withholding taxes due or certified*" has been reformulated at the same time. In addition, the punishability threshold has tripled from 50,000 to 150,000 euros for each tax period.

- Article 10 *ter* of Legislative Decree 74/2000 "*failure to pay VAT"* sees the punishability threshold changed to Euro 250,000 for each tax period.

- Article 10 *quarter of* Legislative Decree 74/2000 undergoes a modification in terms of sanctions, which is diversified depending on whether the undue compensation concerns undue credits (in which case the penalty remains that of imprisonment from six months to two years), or non-existent credits (in which case the penalty becomes that of imprisonment from one year and six months to six years).

This increase in penalties is mitigated by the cause of non-punishability of the so-called "Tax Code". active repentance, referred to in art. 13 of Legislative Decree 74/2000.

The legislator has also intervened on this provision by providing for the application of the same also to the cases of fraudulent declaration through the use of invoices or other documents for non-existent transactions (art. 2) and the crime of fraudulent declaration through other artifices (art. 3).

It should be noted, in fact, that previously this cause of exclusion from punishability referred only to the crimes of omitted or unfaithful declaration referred to in art. 4 and 5, of failure to pay taxes, articles 10 *bis* and 10 *ter,* and of undue compensation, art. 10 *quarter* c.1, which were not punished if their author, before the opening of the first instance debate, it provided for the full extinction of tax debts including administrative penalties and interest.

Today, however, the cause of non-punishability is also provided for the crimes referred to in art. 2 and 3 of Legislative Decree 74/2000 which applies when tax debts, including penalties and interest, are extinguished with the full payment of the amounts due, following the active repentance or the submission of the omitted

return within the deadline for submitting the return relating to the following tax period, provided that the regularization takes place before the offender has had formal knowledge of access, inspections, verifications, or the commencement of any administrative assessment or criminal proceedings.

(b) The application of confiscation

The Legislator has introduced art. 12 bis concerning a hypothesis of mandatory confiscation also for equivalent, of the price and profit of the crime. The 1st paragraph of the provision reads: "*in the event of conviction or application of the penalty at the request of the parties pursuant to Article 444 of the Code of Criminal Procedure for one of the crimes provided for by this decree, the confiscation of the assets that constitute the profit or price thereof shall always be ordered, unless they belong to a person unrelated to the crime, or, when this is not possible, the confiscation of assets, of which the offender has the disposal, for a value corresponding to such price or profit*". In this first paragraph, the provision merely re-proposes the provision of art. 322-ter of the Criminal Code, already applicable to tax crimes by virtue of art. 1, paragraph 143, of Law no. 244/2007 now repealed.

New, however, is the provision referred to in the 2nd paragraph of art. 12 *bis*, according to which "*confiscation does not operate for the part that the taxpayer undertakes to pay to the Treasury even in the presence of seizure. In the event of non-payment, confiscation is always ordered*".

The rationale of this provision is to make the claims of the Treasury prevail over the ablatory claims of the State.

Another important novelty introduced by the legislator is Article 12 *ter* of Legislative Decree 74/2000 which provides for the application to tax crimes of the so-called confiscation by disproportion or extended confiscation referred to in Article 240 *bis* of the Criminal Code. This regulatory provision, which applies to particularly serious crimes such as organized crime and most crimes against the Public Administration, allows the Judicial Authority to proceed, in the event of conviction or plea bargaining, to the confiscation of money, goods or other benefits of which the convicted person cannot justify the origin and of which, even through an intermediary natural or legal person, is the owner or has the availability for any reason in a value disproportionate to his income or economic activity.

This form of confiscation, which has its origin in the fight against organized crime, is characterized by being extremely invasive. In fact, in it, the link of relevance between the seized assets and the crime is lost and the entire unjustified wealth, considered the result of illicit accumulation, is attacked.

The Constitutional Court has also expressed itself on this point, which has clarified that " *the extended confiscation (...) is essentially based on a presumption of criminal origin of the assets owned by convicted persons for certain crimes mostly (but not always) related to forms of organized crime: under certain conditions, it is presumed, that is, that the convicted person has committed not only the crime that gave rise to the conviction, but also other crimes, not judicially ascertained, from which the assets he has at his disposal would derive*" (Constitutional Court no. 33/2018).

The jurisprudence of legitimacy has clarified that this form of confiscation is based on "*an unquestionable political-criminal choice, a iuris tantum presumption of illicit accumulation, in the sense that the ablatory measure affects all assets of economic value not proportionate to the income or economic activity of the convicted person and of which he cannot justify the origin, transferring to the subject, who has the ownership or availability of the assets, the burden of giving an exhaustive explanation in economic (and not simply legal-formal) terms of the positive lawfulness of their origin, with the attachment of elements that, although without having the probative value of civil law in terms of rights in rem, possessor and bonds, are suitable to overcome this presumption*" (In this sense, Cass. pen. no. 36499/2018).

With the introduction of art. 12 ter in Legislative Decree 74/2000, extended confiscation is now also applicable to those tax crimes characterized by fraudulent conduct and in particular in cases of:

- Art. 2 of Legislative Decree 74/2000 (*fraudulent declaration through the use of invoices or other documents for non-existent transactions*), when the amount of the fictitious liabilities exceeds €200,000;

- Article 3 of Legislative Decree 74/2000 (*fraudulent declaration by other artifices*), when the evaded tax exceeds €100,000;
- Article 8 of Legislative Decree 74/2000 (*issuing invoices for non-existent transactions*), when the untrue amount indicated on the invoices is greater than €200.00;
- Article 11 of Legislative Decree 74/2000 (*fraudulent evasion of tax payments*), where the untrue amount shown on the invoices is greater than EUR 100 000 or where the amount of fictitious assets or liabilities exceeds the actual amount of more than EUR 200 000.

This has important repercussions on a practical level as the contestation of a tax crime can involve the aggression of the taxpayer's assets well beyond the amount of the evaded tax.

c) the liability of entities pursuant to Legislative Decree 231/01 for tax offences

The major novelty introduced by the tax reform is represented by the inclusion of tax crimes in the list of predicate crimes of the liability of the entity pursuant to Legislative Decree 231/01.

The introduction of these crimes within Legislative Decree 231/01 is closely linked to EU Directive 2017/1371 on the criminal protection of the financial interests of the European Union (better known as the **PIF Directive**), which required Member States to introduce forms of legal liability for entities with reference to "*cases of serious crimes against the common VAT system",* or with reference to those frauds that are "*connected to the territory of two or more Member States of the Union and that involve a total damage of at least 10,000 euros*".

Therefore, the Italian legislator has inserted in Legislative Decree 231/01 art. 25 *quiquesdecies* entitled "*Tax Crimes*".

It should be noted, in fact, that before this new legislation, Legislative Decree 231/2001 did not expressly include this type of crime, although doctrine and jurisprudence discussed the possibility that they could already enter the scope of predicate crimes, even in the absence of an explicit regulatory provision to that effect.

In fact, tax crimes assumed relevance every time they were carried out as "crimes-ends" of the criminal association or if they constituted the basic crime of the case of self-laundering.

Specifically, it was possible to recognize the liability of the entity pursuant to Legislative Decree 231/2001 for the commission of tax crimes in the cases of criminal association, pursuant to Article 416 of the Criminal Code, including mafia-type crimes, pursuant to Article 416 bis of the Criminal Code, expressly included in the catalog of predicate crimes.

In this sense, the Court of Cassation had expressed itself in sentence no. 24841 of 6 June 2013 relating to a case concerning the commission, by a company, of the crime of criminal conspiracy aimed at committing the crimes of fraudulent declaration through the use of invoices or other documents for non-existent transactions and the issuance of false invoices. In the case at hand, the Supreme Court had recognized the liability of the entity pursuant to Legislative Decree 231/2001 and legitimized the application of the precautionary measure of preventive seizure of assets, aimed at confiscation, for a value corresponding to the total product of the crime[1].

A further door for the surreptitious access of tax crimes within the catalogue of predicate crimes referred to in Legislative Decree 231/2001 was considered to be the introduction of the crime of self-laundering as tax crimes could constitute the criminal antecedent necessary for the configuration of this criminal offence in order to hinder the identification of its origin.

1 The Court of Cassation no. 24841/2013 specified that "*the profit from the crime of criminal association, which can be seized for the purpose of subsequent confiscation by equivalent (Law no. 146 of 16 March 2006, art. 11), consists of the set of advantages directly resulting from the set of crimes for the purpose, from which it is completely autonomous and whose execution is facilitated by the existence of a stable organized structure and by the common criminal project (Sec. 3, Sentence no. 5869 of 27/01/2011 Rv. 249537)*" and that, therefore, "*The preventive seizure functional to the confiscation by equivalent, having a provisional nature, can indifferently affect each of the competitors even for the entire amount of the profit ascertained, although the final confiscation measure, being instead of a sanctioning nature, cannot be duplicated or in any case exceed in the "quantum" the total amount of the same profit*".

The Court of Cassation in United Sections already in 2014, with sentence no. 10561/2014, had highlighted the illogicality of the lack of autonomous inclusion of tax crimes among those provided for by Legislative Decree 231/2001, noting that tax crimes could be committed in the interest or to the exclusive advantage of the Entity and that their exclusion was unjustified.

Therefore, the intervention of the legislature and the enactment of art. 25 *quinquiesdecies* had to be considered necessary and dutiful.

Pursuant to this article "*In relation to the commission of the crimes provided for by Legislative Decree no. 74 of 10 March 2000, the following financial penalties apply to the entity*:

a) for the offence of fraudulent declaration through the use of invoices or other documents for non-existent transactions provided for in Article 2, paragraph 1, a fine of up to five hundred shares;

Specifically, this type of crime occurs when a person in order to evade income or VAT taxes uses invoices for non-existent transactions. A classic example is in carousel fraud involving a fraudulent mechanism concerning the partial payment of VAT, or its total omission implemented through a series of commercial transactions for the purchase and sale of goods, generally officially coming from a country of the European Union, at the end of which the (Italian) purchasing entity deducts the VAT despite the fact that the compliant seller has not paid it.

For this type of crime, there are no thresholds of punishability, thus also the evasion of a single euro can be an offence. In this regard, the Constitutional Court, in its judgment no. 95 of 18.4.2019, declared unfounded the question of constitutional legitimacy raised in relation to the crime in question in the part in which – unlike the fraudulent declaration through other artifices referred to in art. 3 of Legislative Decree 74/2000 – does not provide for a threshold of punishability. In fact, the choice of the legislator to provide for a stricter sanction treatment cannot be considered unreasonable or arbitrary, taking into account the particular evidentiary role that the invoice (and the documents equivalent to it by tax legislation) play in the context of the fulfilment of the taxpayer's obligations.

b) for the offence of fraudulent declaration through the use of invoices or other documents for non-existent transactions, provided for in Article 2, paragraph 2-bis, a fine of up to four hundred shares;

This case occurs only where the amount of fictitious liabilities is less than one hundred thousand euros.

c) for the offence of fraudulent declaration by other artifices, provided for in Article 3, a fine of up to five hundred shares;

The crime is committed when the mandatory accounting records (journal, inventories, VAT registers) are altered in order to evade income tax or VAT.

The crime is committed when the taxpayer deliberately reduces revenues or artificially increases costs by making use of fraudulent means suitable for hindering the tax assessment by the bodies responsible for verification. An example of this offence is represented by the recording in the accounts of a cost that was never incurred, without having any purchase invoice. Or, of omission of the recording in accounting of a regularly issued sales invoice.

For the commission of the crime, it is necessary to exceed two thresholds of punishability together:

1. Tax evasion of € 30,000.00 for each individual tax (IRES/IRPEF or VAT);
2. The total amount of the elements evaded from taxation is greater than 5% of the total amount of the assets indicated in the return. Or in any case, it is more than 1.5 million euros. Either the amount of fictitious credits/withholdings is greater than 5% of the amount of the tax itself or in any case greater than 30,000.00 euros.

d) for the crime of issuing invoices or other documents for non-existent transactions, provided for in Article 8, paragraph 1, a fine of up to five hundred shares;

e) for the offence of issuing invoices or other documents for non-existent transactions, provided for in Article 8, paragraph 2-bis, a fine of up to four hundred shares;

Art. Article 8 punishes in paragraph 1 anyone who, in order to allow third parties to evade income or value added taxes, issues or issues invoices or other documents for non-existent transactions without providing for any threshold of punishability.

While, paragraph 2 *bis*, governs the hypothesis in which the amount not corresponding to the truth indicated in the invoices or documents, per tax period, is less than one hundred thousand euros.

The issuance or issuance of several invoices or documents for non-existent transactions during the same tax period is considered as a single crime.

f) for the crime of concealment or destruction of accounting documents, provided for in Article 10, a fine of up to four hundred shares;

This type of crime is committed by concealing or destroying all or part of accounting records or accounting documents in order to evade or allow third parties to evade income tax or VAT. For this crime there is no threshold of punishability.

g) for the crime of fraudulent evasion of the payment of taxes, provided for in Article 11, a fine of up to four hundred shares.

The introduction of this tax offence into the legal system must be sought in the fact that a danger may be found with regard to collection. That is, that it does not find capacity in the taxpayer's assets.

The crime goes, therefore, to protect the constitutional principle according to which everyone is required to contribute to public spending by reason of their ability to pay pursuant to art. 53 of the Constitution.

In particular, art. Article 11 regulates two different criminal cases: paragraph 1 of Article 11 concerns the taxpayer who evades the payment of income taxes or VAT. Or interest or administrative penalties relating to them for a total amount exceeding 50,000 euros. The subtraction from payment must take place with the alienation or the performance of fraudulent acts on one's own goods or on the goods of others. All in order to make the compulsory collection procedure ineffective.

Otherwise, paragraph 2 of art. 11, concerns the taxpayer who, in order to obtain for himself or for others a partial payment of taxes and related accessories, indicates in the documentation submitted for the purposes of the tax settlement procedure:

- Assets for an amount less than the actual amount or
- Fictitious liabilities for a total amount exceeding 50,000 euros.

Paragraph 2 of art. 25 *quinquiesdecies* also provides that "*if, following the commission of the crimes indicated in paragraph 1, the entity has made a significant profit, the financial penalty shall be increased by one third".*

Finally, paragraph 3 states that in addition to the aforementioned financial penalties, the disqualification sanctions referred to in Article 9, paragraph 2, letters *c)* also apply: prohibition to contract with the public administration, except to obtain services for a public service*, d)* exclusion from facilitations, loans, contributions or subsidies and the possible revocation of those already granted; and *e)* prohibition to advertise goods and services.

However, it is necessary to point out that from the point of view of European compliance, the introduction of tax crimes in the catalogue of predicate crimes pursuant to Legislative Decree 231/2001, seems at the same time on the one hand, to go beyond the prescriptions given by the European legislator and on the other hand to be incomplete and incomplete.

In particular, this introduction, referring to the rules of Legislative Decree 74/2000, goes beyond what were the supranational obligations that concerned only taxes, and more specifically VAT, which impact European finances and which relate to conduct committed in fraudulent cross-border systems: indeed, the liability of the

entity now also arises in the evasion of income taxes exorbitant from the competence of the European Union and also regardless of the cross-border nature of conduct. This solution, although not imposed by the PIF Directive, is nevertheless to be considered in conformity with the same as it leaves the States free to provide for measures in addition to the minimum required and could be considered justified by the need to ensure reasonableness to the system as a whole, without making internal discrimination on the basis of the type of tax evaded.

On the other hand, excluding some crimes, including those of Articles 4, 5 and 10 *quarter* of Legislative Decree 74/2000, the supranational obligations of incrimination as well as respect for the principle of reasonableness and equality do not seem to be fully respected. In fact, pursuant to art. 6 of the PIF Directive, Member States are required to take the necessary measures so that legal persons can be held liable for all fraud that offends the financial interests of the European Union.

Specifically, in defining the concept of fraud that offends the interests of the European Union, the directive refers to: i) the use and presentation of false, inaccurate or incomplete VAT declarations or documents, resulting in a reduction in resources in the EU budget; ii) failure to communicate information relating to VAT in breach of a specific obligation, which has the same effect; or iii) the submission of exact VAT returns to fraudulently conceal the non-payment or unlawful creation of VAT refund rights.

1.4.6 Legislative Decree 75/2020 – implementation of the PIF Directive

In implementation of Delegated Law no. 117/19, on 15 July 2020 Legislative Decree no. 75 was published in the Official Gazette, which implemented the so-called "Legislative Decree no. PIF on the fight against fraud "*affecting the financial interests of the EU*".

The provision in question, on the one hand, makes significant changes to some types of offences contained in the Criminal Code and in special laws, tightening the sanctioning system and, on the other hand, expands the range of predicate offences referred to in Legislative Decree 231/01.

a) Amendments to the Criminal Code

With specific reference to the Criminal Code, it should be noted that the new law introduces some important changes aimed at providing for an increase in the penalty when the crimes provided for by art. 316 (embezzlement by profiting from the error of others); 316 ter (undue receipt of disbursements to the detriment of the State); 319 quarter (undue inducement to give or promise benefits) offend the financial interests of the European Union and the damage and profit are greater than Euro 100,000.

In addition, the legislator has also amended the crimes of fraud (Article 640 of the Criminal Code) and embezzlement, bribery, undue inducement to give or promise benefits, corruption and incitement to corruption of members of the International Criminal Court or of the bodies of the European Communities and officials of the European Communities and of Foreign States (Article 322 bis), providing for an extension of the punishability also in the case of illegal activities against the EU.

b) Amendments to Special Laws

Legislative Decree 75/2020 also made changes to the special laws and, in particular:

- to the Consolidated Law on Customs Legislation, referred to in Presidential Decree no. 43 of 23 January 1973, introducing two new aggravating circumstances to the crime of smuggling referred to in art. 295, providing that imprisonment from three to five years is added to the fine in the event that the amount of border fees due is greater than one hundred thousand euros (new letter d-bis) and imprisonment of up to three years when the amount of border fees due is greater than fifty thousand euros and not exceeding one hundred thousand euros (art. 295 last paragraph);
- Law no. 898 of 23 December 1986 on the control of Community aid to the production of olive oil, providing for an increase in the penalty, unless the fact constitutes the most serious offence provided for in Article 640 bis of the Criminal Code, in the event of the display of false data or information to

unduly obtain aid, premiums, allowances, refunds, contributions or other disbursements borne in whole or in part by the European Agricultural Guarantee Fund and the European Agricultural Fund for rural development;

- to Legislative Decree 74/2020 on tax crimes, providing, in art. 6 paragraph 1 bis, the punishability of the attempt for the crimes of fraudulent declaration through the use of invoices relating to non-existent transactions (art. 2), fraudulent declaration by other artifices (art. 3) and unfaithful declaration (art. 4) if also carried out in the territory of another Member State of the European Union, in order to evade value added tax for a total value of not less than ten million euros.

c) Expansion of the list of predicate offences referred to in Legislative Decree 231/01

With regard to Legislative Decree 231/2001, the Legislator, through Legislative Decree 75/2020, completed the process started with the introduction of tax crimes in the catalog of predicate crimes, also including those that had been excluded following Law 159/19 and also reformed crimes against the Public Administration.

Specifically, following the new legislation, the following changes have been made:

- The heading of art. 24 with the following: "Undue receipt of disbursements, fraud to the detriment of the State, a public body, or the European Union or to obtain public disbursements, computer fraud to the detriment of the State or a public body and fraud in public supplies". Art. Article 24 also extends the liability of companies to the crimes of:

  a) fraud in public procurement *pursuant to* Article 356 of the Criminal Code, which punishes anyone who commits fraud in the execution of supply contracts or in the fulfilment of other contractual obligations arising from a contract entered into with the State or other public body;

  b) fraud against the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development (art. 2 L. 898/1986).

- The heading of art. 25 "*embezzlement, bribery, undue inducement to give or promise benefits, corruption and abuse of office" has been modified*, with the introduction in the list of crimes against the Public Administration of:

  - embezzlement, excluding embezzlement (Article 314 c.1 of the Criminal Code), which punishes the conduct of a public official or person in charge of a public service who, having for reasons of his office or service the possession or in any case the availability of money or other movable property of others, appropriates it;

  - embezzlement by profiting from the error of others (Article 316 of the Criminal Code), which punishes the public official or the person in charge of a public service who, in the exercise of his functions or service, taking advantage of the error of others, receives or unduly retains, for himself or for a third party, money or other benefits;

  - abuse of office (Article 323 of the Criminal Code), which punishes a public official or person in charge of a public service who, in the performance of his or her duties or service, in violation of the law, or regulations, or by failing to abstain in the presence of his or her own interest or that of a close relative, intentionally procures an unfair financial advantage for himself or others, or causes unjust damage to others.

It should be noted that from the literal interpretation of art. 25, as reformed, it is clear that the crimes of embezzlement and abuse of office would enter the catalogue of predicate crimes only and exclusively in relation to facts that offend the financial interests of the EU and not in general.

- In art. 25 quinquiesdecies, new tax offences are introduced:

  - Unfaithful declaration (art. 4 of Legislative Decree 74/2000), which is committed by indicating in the tax return or VAT return revenues lower than the real or non-existent costs. For example, the

indication in the tax return of a result for the year lower than that shown in the financial statements and accounting constitutes a crime.

- Failure to declare (Article 5 of Legislative Decree 74/2000), which occurs when the company or taxpayer who is a natural person, in order to evade income tax or VAT, does not submit, being obliged to do so, one of the annual returns. It does not considerOmittedthe declaration submitted within 90 days of the expiry of the deadline or not signed or not drawn up on a printout conforming to the prescribed model (so-called late declaration).

- Undue compensation (Article 10 quarter of Legislative Decree 74/2000).

All the cases relating to the tax crimes described above can lead to liability of the entity only in the event that the offences are committed "*in the context of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million euros*", in compliance with the provisions of the PIF Directive.

· Art. 25 sexiesdecies, which provides for the crime of smuggling (Presidential Decree 43/1973), modulating the sanction according to whether or not the crime exceeds the threshold of 100,000 euros, beyond which the damage to the financial interests of the EU must be considered considerable.

In this regard, it should be noted that Legislative Decree no. 8/2016 had provided for a general decriminalization for all violations, except those expressly excluded by the same decree, for which only the penalty of a fine or fine was envisaged, specifying that if for the violation, in aggravated cases, there was also a prison sentence, alone, alternative or combined with the monetary one, the basic crime should in any case be considered decriminalized. In this way, customs offences (smuggling) were also decriminalised, sanctioned with the sole penalty of a fine or fine, even if, in the aggravated case, a prison sentence was envisaged, even as an alternative to the monetary one. Art. Article 295 bis of the TULD also provides that - with the exception of foreign manufactured tobacco - in the case of non-aggravated smuggling pursuant to art. 295, paragraph 2 (paragraph, as mentioned above, now supplemented by letter d-bis), if the amount of border fees due does not exceed € 3,999.96, the violation is considered decriminalized (even in the event that a prison sentence is provided, alone, alternative or combined with the monetary one). In order to implement the PIF Directive, Art. 4 of Legislative Decree 75/2020 introduces, for customs crimes, an exception to Legislative Decree no. 8/2016, thus criminalizing recently decriminalized conduct. In line with the provisions of the directive (Article 7, paragraph 4), the conducts considered serious and deserving of a new criminalization are the cases of crimes in respect of which the border fees due are higher than the threshold of 10 thousand euros. In particular, by supplementing art. 1, paragraph 4, of Legislative Decree no. 8/2016, it is provided that the decriminalization of "*violations for which the sole penalty of a fine or fine is envisaged*" does not apply to the crimes provided for by the TULD (D.P.R. no. 43/1973), "*when the amount of border fees due is greater than ten thousand euros*".

1.4.7 THE REGULATION OF OFFENCES RELATING TO NON-CASH PAYMENT INSTRUMENTS

On 14 December 2021, Legislative Decree 184/2021 came into force, which made amendments to the Criminal Code and introduced a new article to Legislative Decree 231/2001. With the decree in question, the Italian legislature adapted the domestic legislation to Directive no. 2019/713/EU on the fight against fraud and counterfeiting of non-cash means of payment. The intent of the EU legislation was twofold: i) to combat the sources of revenue of organized crime deriving from the manipulation of payment instruments and digital monetary flows (connected, for example, to the use of ATMs, credit cards, rechargeable cards, POS, internet banking, etc.), ii) to guarantee specific and adequate protection to consumers regarding the regular development of the digital market.

a) Amendments to the Criminal Code

With regard to the amendments to the Criminal Code, Legislative Decree 184/2021 introduced the following changes:

- Article 493 *ter*, entitled "*Undue use and falsification of non-cash payment instruments*", which already provided for the rules on the undue use and falsification of credit and payment cards, is amended in order to include in the scope of application all payment instruments other than cash.
    - in particular, the new text of Article 493 *ter* provides: "*Any person who, in order to make a profit for himself or for others, improperly uses, not being the holder, credit or payment cards, or any other similar document that enables the withdrawal of cash or the purchase of goods or the provision of services or in any case any other means of payment other than cash, is punished with imprisonment from one to five years and a fine from 310 euros to 1,550 euros. The same penalty applies to anyone who, in order to make a profit for himself or for others, falsifies or alters the instruments or documents referred to in the first sentence, or possesses, transfers or acquires such instruments or documents of illicit origin or in any case falsified or altered, as well as payment orders produced with them. In the event of conviction or the imposition of a penalty at the 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 used or intended to commit the offence shall be ordered, as well as of the profit or product, unless they belong to a person unrelated to the offence, or when this is not possible, the confiscation of goods, sums of money and other benefits of which the offender has the disposal for a value corresponding to such profit or product. The instruments seized for the purposes of confiscation referred to in the second paragraph, during judicial police operations, shall be entrusted by the judicial authority to the police bodies that request them*."

- Article 493 quarter is introduced, entitled "*Possession and dissemination of equipment, devices or computer programs aimed at committing crimes concerning payment instruments other than cash*", which punishes, unless the fact constitutes a more serious crime, the conduct of anyone who produces, imports, exports, sells, transports, distributes, makes available or in any way procures for himself or other equipment, devices or computer programs which, due to technical-construction or design characteristics, are built mainly to commit crimes concerning payment instruments other than cash, or are specifically adapted for the same purpose. The crime is punishable by imprisonment of up to two years and a fine of up to 1000 euros;

- Article 640 *ter*, entitled "Computer fraud, introduces a specific aggravating circumstance for the transfer of money, monetary value or virtual currency".
    - In particular, the new text of art. 640 ter provides: "*Whoever, altering in any way the functioning of a computer or telematic system or intervening without right in any way on data, information or programs contained in a computer or telematic system or pertaining to it, procures for himself or others an unfair profit with damage to others, is punished with imprisonment from six months to three years and a fine from 51 to 1,032 euros. The penalty is imprisonment from one to five years and a fine of between €309 and €1,549 if one of the circumstances provided for in number 1 of the second paragraph of Article 640 occurs, or if the act is committed with abuse of the status of system operator. The offence shall be punishable upon complaint by the injured party, unless any of the circumstances referred to in the second paragraph or another aggravating circumstance occur*."

b) Amendments to Legislative Decree 231/2001

As regards Legislative Decree 231/2001, the new law introduced art. 25 *octies.1* on the basis of which entities may also be called upon to answer for certain crimes relating to payment instruments other than cash, if committed in their interest or advantage.

Pursuant to this article: 1. "*In relation to the commission of the crimes provided for by the Criminal Code in relation to payment instruments other than cash, the following financial penalties shall apply to the entity*:

a) For the crime referred to in art. 493-ter, the fine from 300 to 800 shares;

In particular, art. 25-octies.1 includes, in the first paragraph, the following cases:

i. improper use and falsification of payment instruments other than cash (Article 493-ter of the Criminal Code),

ii. possession and dissemination of equipment, devices or computer programs aimed at committing crimes concerning payment instruments other than cash (Article 493-quarter of the Criminal Code),

iii. computer fraud (Article 640-ter of the Criminal Code) aggravated by the transfer of money, monetary value or virtual currency. As it will be recalled, this crime had already been provided for in Legislative Decree 231/2001 as a predicate offence of the administrative offence referred to in art. 24 (undue receipt of disbursements, fraud to the detriment of the State, a public body or the European Union or to obtain public disbursements, computer fraud to the detriment of the State or a public body and fraud in public supplies), but with a relevance for the body limited only to cases of computer fraud committed to the detriment of the State or other public body, and not when committed to the detriment of private subjects".

b) For the crime referred to in art. 493-quarter and for the crime referred to in art. 640-ter, in the case aggravated by the realization of a transfer of money, monetary value or virtual currency, the financial penalty of up to 500 shares;

The second paragraph provides:

" *Unless the fact constitutes another administrative offence sanctioned more seriously, in relation to the commission of any other crime against public faith, against property or which in any case offends the property provided for by the* Criminal Code*, when it concerns payment instruments other than cash, the following financial penalties apply to the entity:*

a) If the offence is punishable by imprisonment of less than ten years, a fine of up to 500 shares;

b) If the offence is punished with a sentence of not less than ten years' imprisonment, a fine of between 300 and 800.

The third paragraph provides:

"*In cases of conviction for one of the crimes referred to in paragraphs 1 and 2, the disqualification sanctions provided for by art. 9, paragraph 2"*
The new amendment also amends art. 24 of Legislative Decree no. 231/2001, providing that, with reference to art. 640-ter of the Italian Civil Code. pen., for the hypothesis aggravated by the realization of a transfer of money, monetary value or virtual currency, the financial penalty reaches up to 500 shares.

1.4.8 Legislative Decree no. 24 of 10 March 2023 on the so-called "Whistleblowing" and the consequences on Model 231

On 15 March 2023, Legislative Decree no. 24 of 10 March 2023 was published in the Official Gazette implementing European Directive 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national law. This decree supersedes the old Law of 30 November 2017 no. 179, which had introduced the national discipline of the so-called whistleblowing.

Article 2 of the decree defines in letter a) the meaning of "violation": "*conduct, acts or omissions that harm the public interest or the integrity of the public administration or private entity and which consist of:*

1) administrative, accounting, civil or criminal offences that do not fall under numbers 3), 4), 5) and 6);

2) significant unlawful conduct pursuant to Legislative Decree no. 231 of 8 June 2001, or violations of the organisational and management models provided for therein, which do not fall under numbers 3), 4), 5) and 6);

(3) offences falling within the scope of the European Union or national acts set out in the Annex to this decree or the national acts implementing the European Union acts set out in the Annex to Directive (EU) 2019/1937, even if not set out in the Annex to this Decree, relating to the following areas: public procurement; financial services, products and markets and the prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and protection of personal data and security of network and information systems;

(4) acts or omissions affecting the financial interests of the Union as referred to in Article 325 of the Treaty on the Functioning of the European Union as specified in the relevant secondary legislation of the European Union;

(5) acts or omissions relating to the internal market, as referred to in Article 26(2) of the Treaty on the Functioning of the European Union, including infringements of the European Union competition and State aid rules, as well as infringements concerning the internal market related to acts infringing the rules on corporation tax or mechanisms the purpose of which is to obtain a tax advantage which defeats the object or purpose of the legislation applicable in the field of corporate tax;

(6) acts or conduct which frustrate the object or purpose of the provisions referred to in Union acts in the areas referred to in paragraphs (3), (4) and (5)".

Looking at the scope of application of the decree, art. 1 outlines the objective scope: the protection of persons who report violations of national or European Union regulatory provisions that harm the public interest or the integrity of the public administration or private entity, of which they have become aware in a public or private employment context (art. 1, para. 1). The regulations referring to private sector entities are considered below.

The provisions of this decree do not apply (art. 1, para. 2):

a) disputes, claims or requests related to a personal interest of the reporting person or of the person who has filed a complaint with the judicial or accounting authority that relate exclusively to his or her individual employment or public employment relationships, or inherent to his or her employment or public employment relationships with hierarchically superior figures;

b) reports of violations where already compulsorily regulated by the European Union or national acts indicated in Part II of the Annex to this Decree or by the national ones that implement the European Union acts indicated in Part II of the Annex to Directive (EU) 2019/1937, even if not indicated in Part II of the Annex to this Decree;

(c) reports of breaches of national security, as well as procurement of defence or national security aspects, unless such aspects fall under relevant secondary legislation of the European Union.

Art. 3, on the other hand, outlines the subjective scope of application. In the private sector, the provisions of the Legislative Decree apply to subjects who:

- have employed, in the last year, an average of at least fifty employees with permanent or fixed-term employment contracts;

- fall within the scope of the Union acts referred to in Parts I.B and II of the Annex, even if they have not reached the average of at least fifty employees with permanent or fixed-term employment contracts in the last year;

- fall within the scope of Legislative Decree no. 231 of 8 June 2001, and adopt organisational and management models provided for therein, even if in the last year they have not reached the average of at least fifty employees with permanent or fixed-term employment contracts.

The subjects referred to in the first two points apply the matter of so-called whistleblowing in relation to violations concerning points 3), 4), 5) and 6) of the definition of violation referred to in art. 2, letter a). The subjects referred to in the last point shall apply the decree in relation to violations concerning relevant unlawful conduct pursuant to Legislative Decree no. 231 of 8 June 2001, or violations of the organisational and management models provided for therein, which do not fall under numbers 3), 4), 5) and 6); however, if these subjects should have an average of at least fifty employees with permanent or fixed-term employment contracts, then the discipline also applies in relation to points 3), 4), 5) and 6).

With regard to the reporting channels, the decree provides that, after consulting the representatives or trade unions referred to in Article 51 of Legislative Decree no. 81 of 2015, their own reporting channels are activated, which guarantee, also through the use of encryption tools, the confidentiality of the identity of the reporting person, the person involved and the person in any case mentioned in the report, as well as the content of the report and the related documentation: it is the so-called "Tax Report". internal reporting channel. The management of the reporting channel is entrusted to a dedicated autonomous internal person or office with staff specifically trained to manage the reporting channel, or it is entrusted to an external party, also autonomous and with specifically trained personnel. The internal report submitted to a person other than the person in charge is transmitted, within seven days of its receipt, to the competent party, giving simultaneous notice of the transmission to the reporting person.

Reports are made in written form, also by electronic means, or orally. Internal reports in oral form are made through telephone lines or voice messaging systems or, at the request of the reporting person, through a direct meeting set within a reasonable time.

Private sector entities that have employed, in the last year, an average of employees, with permanent or fixed-term employment contracts, not exceeding two hundred and forty-nine, can share the internal reporting channel and its management.

As part of the management of the internal reporting channel, the person or internal office or the external party, who is entrusted with the management of the internal reporting channel, carries out the following activities:

a) issue the reporting person with an acknowledgement of receipt of the report within seven days from the date of receipt;

b) maintain discussions with the reporting person and may request additions from the latter, if necessary;

c) diligent damage following up on the reports received;

d) provide feedback to the report within three months of the date of the acknowledgement of receipt or, in the absence of such notice, within three months of the expiry of the seven-day period from the submission of the report;

(e) make available clear information on the channel, procedures and prerequisites for carrying out internal reporting, as well as on the channel, procedures and prerequisites for carrying out external reporting. The aforementioned information shall be displayed and made easily visible in the workplace, as well as accessible to persons who, although not attending the workplaces, have a legal relationship in one of the forms referred to in Article 3, paragraphs 3 or 4. If they have their own website, public and private sector entities shall also publish the information referred to in this letter in a dedicated section of that website.

The decree also provides for the activation of an external reporting channel at ANAC which can be activated in residual hypotheses, for example if the internal reporting channel has not been activated or does not comply with regulations.

Finally, pursuant to art. 15, protections are also recognized in the event of reporting through public disclosure, when one of the following conditions is met:

a) the reporting person has previously made an internal and external report or has directly made an external report, under the conditions and in the manner provided for by the decree;

(b) the reporting person has reasonable grounds to believe that the breach may constitute an imminent or obvious danger to the public interest;

(c) the reporting person has reasonable grounds to believe that the external report may involve a risk of retaliation or may not be followed up effectively due to the specific circumstances of the case, such as those in which evidence may be concealed or destroyed or in which there is a reasonable fear that the person who received the report may be colluding with the offender or involved in the infringement.

The decree therefore provides for the prohibition of retaliation against the whistleblower, the facilitator, persons in the same work context as the reporting person or relatives within the fourth degree, those who are linked by a stable emotional bond, work colleagues who work in the same work context and who have a habitual and current relationship and entities owned by the reporting person and people who work for these entities.

Retaliation is defined as "*any behavior, act or omission, even if only attempted or threatened, carried out by reason of the report, the complaint to the judicial or accounting authority or public disclosure and which causes or may cause unjust damage to the reporting person or to the person who filed the complaint, directly or indirectly*" (art. 2, letter m). Art. 17 provides in paragraph 4 for an exemplary list of retaliations, therefore not to be considered exhaustive.

However, in order for these protections to be recognized, the following conditions must be met (art. 16):

(a) at the time of the report or complaint to the judicial or accounting authority or of public disclosure, the reporting or complaining person had reasonable grounds to believe that the information on the breaches reported, publicly disclosed or reported was true and fell within the objective scope referred to in Article 1;

b) the report or public disclosure was made on the basis of the provisions of Chapter II of the decree.

The reasons that led the person to report or report or publicly disclose are irrelevant for the purposes of his or her protection.

Without prejudice to the provisions of Article 20, when the criminal liability of the reporting person for the offences of defamation or slander or in any case for the same offences committed by reporting to the judicial or accounting authority or his civil liability, for the same reason, in cases of wilful misconduct or gross negligence is ascertained, even by a first instance judgment, The protections provided for in this Chapter shall not be guaranteed and a disciplinary sanction shall be imposed on the reporting or complaining person.

These conditions apply even if the initially anonymous person has subsequently been identified.

The remedy recognized by the decree is the nullity of retaliatory acts (Article 19, paragraph 3).

As regards the burden of proof, there is a rebuttable presumption that the conduct of the reported person is retaliatory against the report; similarly, damages suffered by protected persons are presumed to be damages resulting from retaliatory conduct in the face of the report.

In terms of sanctions, the decree recognises that ANAC has the power to provide for administrative fines against the subjects called upon to apply this decree. More precisely, art. 21 provides that the following sanctions may be applied:

(a) from EUR 10 000 to EUR 50 000 when it ascertains that retaliation has been committed or when it ascertains that the report has been obstructed or attempted to be obstructed or that the obligation of confidentiality referred to in Article 12 has been breached;

b) from €10,000 to €50,000 when it ascertains that no reporting channels have been established, that procedures have not been adopted for the creation and management of reports or that the adoption of such procedures does not comply with those referred to in Articles 4 and 5, as well as when it ascertains that the verification and analysis of the reports received has not been carried out;

c) from €500 to €2,500, in the case referred to in Article 16(3), unless the reporting person has been convicted, even in the first instance, of the offences of defamation or slander or in any case for the same offences committed with the complaint to the judicial or accounting authority.

Finally, the decree contains several provisions that fall within the scope of personal data protection: on the one hand, it aims at the confidentiality of protected subjects and, on the other, it qualifies the subjects involved in accordance with the discipline regulated by the GDPR and the privacy code.

Considering now how this discipline affects Model 231, Legislative Decree 24/2023 amends paragraph 2-bis of art. 6 of Legislative Decree 231/2001, establishing that the Models must provide for internal reporting channels, the prohibition of retaliation and the disciplinary system, adopted pursuant to paragraph 2, letter e) of Legislative Decree 231/2001. In particular, the Model 231 must also provide for disciplinary sanctions against those who have been ascertained to be responsible for the offences provided for by art. 21, which can determine the sanctions by ANAC.

Paragraphs 2-ter and 2-quarter of art. 6 of Legislative Decree 231/2001 were instead repealed by art. 23 of Legislative Decree 24/2023.

The *rationale* of the regulatory intervention consists first of all in protecting the public interest, which is harmed in the face of violations, as described above. Furthermore, on a strictly private level, this legislation aims to incentivize certain types of conduct that promote higher standards of *business ethics* and *anti-corruption*, the lack of which, on the other hand, hinders the creation of value for companies.

The Legislator wants a social conscience to take root within the workplace, which encourages the individual to take action to report to the authority or even to his employer, any wrongdoing of which he has become aware during the performance of his service: this is a strengthening of the objective that the old Law 179/2017 set itself.
The creation and provision of adequate channels for reporting also favors companies in their self-assessment process, pushing them to constant and continuous improvement.

1.4.9 Law no. 137 of 9 October 2023 converting the so-called Justice Decree

On 9 October 2023, Law No. 137, of 9 October 2023, converting the so-called Justice Decree, Decree-Law No. 105 of 10 August 2023, was published in the Official Gazette, series no. 236, as follows: "*Conversion into law, with amendments, of Decree-Law No. 105 of 10 August 2023, containing urgent provisions on criminal proceedings, civil trial, forest fire fighting, drug addiction recovery, health and culture, as well as in the field of judicial and public administration personnel*".

From 10 October 2023, the new provisions that are explained below came into force.

In particular, the Annex "*Amendments made during the conversion of Decree-Law No. 105 of 10 August 2023 - Articles 6-bis and 6-ter*", relating to Art. 6-ter, concerning "*Amendments to the Criminal Code, Legislative Decree No. 152 of 3 April 2006, as well as Legislative Decree No. 231 of 8 June 2001"* provides as follows.

"*2. The following amendments are made to Legislative Decree no. 231 of 8 June 2001:*

a) in Article 24, paragraph 1, after the words: "referred to in Articles 316-bis, 316-ter", the following shall be inserted: "353, 353-bis,";

(b) in Article 25-octies.1:

(1) the following shall be inserted after paragraph 2:

"2-bis. In relation to the commission of the crime referred to in Article 512-bis of the Criminal Code, a fine of between 250 and 600 shares shall be applied to the entity";

(2) in paragraph 3, the words: "paragraphs 1 and 2" shall be replaced by the following: "paragraphs 1, 2 and 2-bis";

(3) the following words shall be added at the end of the heading: "and fraudulent transfer of valuables".

3. The following amendments shall be made to the Criminal Code:

(a) in the first paragraph of Article 240-bis, the words: "by Articles 452-quarter, 452-octies, first paragraph" shall be replaced by the following: "by Articles 452-bis, 452-ter, 452-quarter, 452-sexies, 452-octies, first paragraph, 452-quaterdecies";

(b) in Article 452-bis, the second paragraph shall be replaced by the following:

"When pollution is produced in a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased from one third to one-half. In the event that pollution causes deterioration, compromise or destruction of a habitat within a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, the penalty is increased from one third to two thirds";

(c) in Article 452-quarter, the second paragraph shall be replaced by the following:

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

The heading of Chapter IV is replaced by the following: 'Provisions relating to environmental offences and other provisions on criminal sanctions and liability of legal persons'".

For our purposes, therefore, it is important to highlight the introduction in the list of predicate crimes, referred to in art. 24 and 25-octies.1, of Legislative Decree no. 231 of 8 June 2001, of the following crimes:

- disturbed freedom of enchantments (Article 353 of the Criminal Code);

- disturbed freedom of the procedure for choosing the contractor (Article 353 bis of the Criminal Code);

- fraudulent transfer of valuables (Article 512 bis of the Criminal Code).

The most relevant aspects of these crimes are analyzed below.

The crime of "*disturbed freedom of enchantments*", referred to in art. 353 of the Criminal Code, protects the interest of the Public Administration so that the tender is carried out regularly, in compliance with the freedom of choice of the contractor and economic laws.
In particular, the crime in question punishes "*anyone who, with violence or threat, or with gifts, promises, collusion or other fraudulent means, prevents or disturbs the tender in public tenders or private tenders on behalf of public administrations, or drives away bidders*".
For the purposes of the configurability of this crime, it is sufficient to verify the existence of the agent's generic intent, i.e. the awareness and intention to prevent or disturb the tender or to remove the bidders.
It is a crime of danger. This means that it occurs not only in the event that the damage is actually produced, but also in the case of risk of its occurrence. It is therefore not necessary to achieve the aim pursued by the author, since the mere suitability of the acts put in place to influence the progress of the tender is sufficient.

It should also be noted that this crime occurs when there is a tender procedure, and therefore, also in the case of an enforcement procedure for the auction sale of assets included in the bankruptcy (Criminal Court of Cassation, Section VI, 3 October 2019, no. 145434).
Finally, the crime can be committed by any means as long as it is concretely suitable to achieve the purpose pursued by the perpetrator. The list of typical conducts described by the law, in fact, is not exhaustive.

It is now appropriate to consider the crime of "*disturbed freedom of the procedure for choosing the contractor*", referred to in art. 353 bis of the Criminal Code, which, like the previous one, protects an interest of the Public Administration.
Specifically, the legislator sanctions those conducts, prior to the formation of the call for tenders in the context of contracts with Public Administrations, aimed at conditioning the methods of choice of the private contractor.
In order for this crime to be configurable, the specific intent of the agent is necessary, who must carry out the conduct with the aim of "*conditioning the methods of choice of the contractor by the public administration*".
Similarly to the disturbed freedom of enchantments, the disturbed freedom of the procedure for choosing the contractor qualifies as a crime of danger. Consequently, it is sufficient that the administrative procedure for the formation of the notice is initiated, since the actual issuance of the same is not relevant.
Specifically, the conduct of "*anyone with violence or threats, or with gifts, promises, collusion or other fraudulent means, disturbs the administrative procedure aimed at establishing the content of the notice or other equivalent act in order to condition the methods of choice of the contractor by the public administration*" is punished.
It should be noted that the so-called "*fraudulent means*" can consist of any artifice, deception or lie that is concretely capable of endangering the correct procedure for preparing the call for tenders. Consequently, the configuration of this offence is excluded if the data subjects have been guaranteed adequate information and publicity of the content of the acts and conduct of the proceeding administrative body (Criminal Court of Cassation, Section VI, 26 February 2019, no. 14418).

Finally, the crime of "fraudulent transfer of values", referred to in art. 512 bis of the Criminal Code, punishes the person who "*fictitiously attributes to others the ownership or availability of money, goods or other utilities in order to evade the provisions on asset prevention or smuggling measures, or to facilitate the commission of one of the crimes referred to in articles 648, 648-bis and 648-ter*", i.e. receiving stolen goods, laundering and use of money, goods or utilities of illegal origin. This crime, for the purposes of its configuration, requires the specific intent of the agent. It is therefore necessary to prove that the header is aimed at circumventing the legislation on asset prevention (Criminal Court of Cassation, Section II, 17 January 2020, no. 13552).

1.4.10 LEGISLATIVE DECREE 19/2024: MODIFICATION OF THE CRIME OF FRAUDULENT TRANSFER OF VALUES

Legislative Decree No. 19 of 2 March 2024, published in the Official Gazette No. 52 of 2 March 2024, introduced "*Further urgent provisions for the implementation of the National Recovery and Resilience Plan (PNRR)*", which also made changes of criminal relevance, in particular a paragraph was added to the offence referred to in art. 512-bis of the Criminal Code, also referred to in the catalogue of predicate offences referred to in Legislative Decree no. 231/2001.

a) Amendments to the Criminal Code.

In art. 512-bis of the Criminal Code, after the first paragraph, the following has been added: "*The same penalty referred to in the first paragraph – i.e., imprisonment from two to six years – applies to those who, in order to evade the provisions on anti-mafia documentation, fictitiously attribute to others the ownership of companies, company shares or shares or corporate offices, if the entrepreneur or the company participates in procedures for the award or execution of contracts or concessions*".

This is a crime of specific intent. The object of the specific intent, i.e. the elusive intent of the anti-mafia legislation, does not necessarily have to occur for the completion of the case, while it is required that the 'fictitious' entrepreneur or company participate – for that main purpose – in procedures for the award or execution of contracts or concessions.
Therefore, for the integration of the case, the conduct of fictitious attribution to others of the ownership of the company or of shares or shares of companies or corporate offices is added the necessary participation in tenders, award or executive procedures or concessions.

1.4.11 PROVISIONS ON STRENGTHENING NATIONAL CYBERSECURITY AND CYBERCRIME

On 02/07/2024, Law no. 90/2024 (in force since 17 July 2024) was published in the Official Gazette, containing "*Provisions on the strengthening of national cybersecurity and cybercrimes*", which aims to promote greater protection of critical infrastructures and incentivize companies to implement adequate security measures to prevent and counter cyber-threats.

a) Amendments to the Criminal Code

In particular, art. 16, entitled "*Amendments to the Criminal Code*" provides for significant changes to the Criminal Code relating to the toughening of penalties for a series of computer crimes. Aggravating circumstances are also provided for aggravated fraud and mandatory confiscation of assets used to commit such crimes, with the aim of deterring criminal activities and better protecting critical infrastructure.
Specifically:

- Article 615-ter, relating to the crime of "*Abusive access to a computer or telematic system*", increases imprisonment "*from two to ten years*" (previously it was from two to five years) for the cases provided for in the second paragraph; in the case referred to in paragraph 2*, the following shall be inserted* after the word "USA": "*threat or*", in the case referred to in paragraph 3, after the words: "*or destruction or damage*", the following shall be inserted: "*or the removal, including by reproduction or transmission, or the inaccessibility to the holder*"; to the cases of offence referred to in paragraphs 1 and 2 concerning computer or telematic systems of military interest or relating to public order or public security or health or civil protection or in any case of public interest referred to in the third paragraph, the penalty shall increase respectively "*from three to ten years and from four to twelve years*";

- in Article 615-quarter, "*Illegal possession, dissemination and installation of equipment, codes and other means of access to computer or telematic systems*": in the first paragraph, the word "profit" is replaced by the word "advantage"; the second paragraph is amended as follows: "*The penalty shall be imprisonment from two years to six years when any of the circumstances referred to in Article 615-ter, second paragraph, number 1 occur*"; the following third paragraph shall be added: "*The penalty shall be imprisonment from three to eight years when the act concerns the computer or telematic systems referred to in Article 615-ter, third paragraph".*

  We are witnessing an expansion of the specific intention, now required for the mere purpose of advantage, instead of the more selective one of profit.

- Article 615-quinquies, entitled "*Illegal possession, dissemination and installation of equipment, devices or computer programs aimed at damaging or interrupting an IT or telematic system*" is repealed;

- Article 617-bis, entitled "*Unlawful possession, dissemination and installation of equipment and other means to intercept, prevent or interrupt telegraphic or telephone communications or conversations*":

after the first paragraph, the following is inserted: "*The penalty shall be imprisonment from two to six years when any of the circumstances referred to in Article 615-ter, second paragraph, occurs, number 1)*"; in the second paragraph, the words from "*or by a public official*" to the end of the paragraph are deleted;

- Article 617-quarter, entitled "*Unlawful interception, impediment or interruption of computer or telematic communications*", in the case referred to in the fourth paragraph, as amended, – i.e. in which the offence is committed: 1) to the detriment of any of the computer or telematic systems indicated in Article 615-ter, third paragraph (paragraph as amended); 2) to the detriment of a public official in the exercise or because of his or her duties or by a public official or by a person in charge of a public service with abuse of powers or with violation of the duties inherent in the function or service, or by those who exercise, even abusively, the profession of private investigator or with abuse of the quality of system operator – the penalty is increased "*from four to ten years*";

- Article 617-quinquies, entitled "*Unlawful possession, dissemination and installation of equipment and other means to intercept, prevent or interrupt computer or telematic communications*": the second paragraph becomes the following: "*When any of the circumstances referred to in Article 617-quarter, fourth paragraph, number 2 occurs, the penalty shall be imprisonment from two to six years*"; after the second paragraph, the following is added: "*When any of the circumstances referred to in Article 617-quarter, fourth paragraph, number 1 occurs, the penalty shall be imprisonment from three to eight years*";

- in Article 617-sexies entitled "*Falsification, alteration or suppression of the content of computer or telematic communications*", second paragraph, the words "*from one to five years*" are replaced by the following "*from three to eight years*";

- in Chapter III-bis of Title Twelve of Book Two, after Article 623-ter, the following is added: "Article 623-quarter. – (Mitigating circumstances) – The penalties imposed for the offences referred to in Articles 615-ter, 615-quarter, 617-quarter, 617-quinquies and 617-sexies are reduced when, due to the nature, kind, means, methods or circumstances of the action or the particular tenuousness of the damage or danger, the fact is minor. The penalties imposed for the crimes referred to in the first paragraph shall be reduced from half to two thirds for those who work to prevent the criminal activity from being carried to further consequences, including by concretely assisting the police or judicial authorities in the collection of evidence or in the recovery of the proceeds of the crimes or the tools used for the commission of the same. The prohibition referred to in the fourth paragraph of Article 69 shall not apply";

- a new paragraph is added to art. 629, "Extortion", the third paragraph is added, constituting a new hypothesis of crime, i.e. "*Whoever, through the conduct referred to in articles 615-ter, 617-quarter, 617-sexies, 635-bis, 635-quarter and 635-quinquies or with the threat of carrying them out, forces someone to do or omit something, procuring for himself or others an unjust profit with damage to others, is punished with imprisonment from six to twelve years and a fine from 5,000 to 10,000 euros. The penalty is imprisonment from eight to twenty-two years and a fine from 6,000 to 18,000 euros, if any of the circumstances indicated in the third paragraph of article 628 concur as well as in the event that the act is committed against a person incapacitated by age or infirmity*". This hypothesis of crime will also be referred to in Legislative Decree no. 231/2001, as will be explained *below*.

- in Article 635-bis, entitled "*Damage to information, data and computer programs",* the penalty referred to in the first paragraph is increased to "*from two to six years*"; the second paragraph is replaced by the following "*The penalty is imprisonment from three to eight years: 1) if the act is committed by a public official or by a person in charge of a public service, with abuse of powers or with violation of the duties inherent in the function or service, or by those who exercise, even abusively, the profession of private investigator, or with abuse of the quality of system operator; 2) if the culprit uses threat or violence to commit the act or if he is clearly armed*";

- in Article 635-ter, entitled "*Damage to information, data and public computer programs or of public interest*", the first paragraph becomes the following "Unless the act constitutes a more serious crime, anyone who commits an act aimed at destroying, deteriorating, erasing, altering or suppressing information, data or programs of military interest or relating to public order or public security or health or civil protection or in any case of public interest, shall be punished with imprisonment from two to six years'; the second and third paragraphs are replaced by the following: "*The penalty shall be imprisonment from three to eight years: 1) if the act is committed by a public official or by a person in charge of a public service, with abuse of powers or with violation of the duties inherent in the function or service, or by the person who exercises, even abusively, the profession of private investigator, or with abuse of the quality of system operator; 2) if the offender uses threat or violence to commit the act or if he is clearly armed; 3) if the fact results in the destruction, deterioration, cancellation, alteration or suppression of the information or the removal, including by reproduction or transmission, or inaccessibility to the legitimate owner of the data or computer programs. The penalty shall be imprisonment from four to twelve years when any of the circumstances referred to in numbers 1) and 2) of the second paragraph concur with any of the circumstances referred to in number 3)*";

- in Article 635-quarter, entitled "*Damage to computer or telematic systems*", in the first paragraph, the penalty is increased from two to six years; the second paragraph becomes "*The penalty is imprisonment from three to eight years: 1) if the act is committed by a public official or by a person in charge of a public service, with abuse of powers or with violation of the duties inherent in the function or service, or by those who exercise, even abusively, the profession of private investigator, o with abuse of the status of system operator; 2) if the culprit uses threat or violence to commit the act or if he is clearly armed*";

- Article 635-quarter is inserted after Article 635-quarter.1 "Unlawful possession, dissemination and installation of equipment, devices or computer programs aimed at damaging or interrupting a computer or telematic system", which punishes "*Whoever, with the aim of unlawfully damaging a computer or telematic system or the information, data or programs contained therein or pertaining to it or to facilitate the interruption, total or partial, or the alteration of its operation, illegally procures, holds, produces, reproduces, imports, disseminates, communicates, delivers or, in any case, makes available in any other way to others or installs equipment, devices or computer programs is punished with imprisonment of up to two years and a fine of up to € 10,329. The penalty is imprisonment from two to six years when any of the circumstances referred to in Article 615-ter, second paragraph, number 1 occur. The penalty shall be imprisonment from three to eight years when the fact concerns the computer or telematic systems referred to in Article 615-ter, third paragraph*";

- Article 635-quinquies becomes the following, entitled "*Damage to computer or telematic systems of public interest*": "*Unless the fact constitutes a more serious crime, anyone who, through the conduct*

referred to in Article 635-bis or through the introduction or transmission of data, information or programs, carries out acts aimed at destroying, damaging or rendering, in whole or in part, computer or telematic systems of public interest or to seriously hinder their operation shall be punished with imprisonment from two to six years. The penalty is imprisonment from three to eight years: 1) if the act is committed by a public official or by a person in charge of a public service, with abuse of powers or with violation of the duties inherent in the function or service, or by someone who exercises, even abusively, the profession of private investigator, or with abuse of the quality of system operator; 2) if the offender uses threat or violence to commit the act or if he is clearly armed; 3) if the fact results in the destruction, deterioration, cancellation, alteration or suppression of information, data or computer programs. The penalty shall be imprisonment from four to twelve years when any of the circumstances referred to in numbers 1) and 2) of the second paragraph concur with any of the circumstances referred to in number 3)";

- in Chapter I of Title Thirteen of Book Two, the following article relating to mitigating circumstances, Article 639-ter, has been added, which provides that "*the penalties imposed for the offences referred to in Articles 629, third paragraph, 635-ter, 635-quarter.1 and 635-quinquies are reduced when, by reason of the nature, kind, means, methods or circumstances of the action or by the particular tenuousness of the damage or danger, the fact is minor. The penalties imposed for the crimes referred to in the first paragraph shall be reduced from half to two thirds for those who work to prevent the criminal activity from being carried to further consequences, including by concretely assisting the police or judicial authorities in the collection of evidence or in the recovery of the proceeds of the crimes or the tools used for the commission of the same. The prohibition referred to in the fourth paragraph of Article 69 shall not apply*";

- in Article 640, relating to fraud, the number "2-ter) is added to the second paragraph if the act is committed remotely through computer or telematic tools suitable for hindering one's own or others' identification"; in the third paragraph, the words "chapter to previous" are replaced by the following "second paragraph, with the exception of that referred to in number 2-ter)".

b) Amendments to Legislative Decree no. 231/2001

Article 20 of the new decree prescribes the amendments that affect Legislative Decree 231/2001 and that concern Article 24-bis relating to "*Computer crimes and unlawful data processing*". Specifically:

- the crimes referred to in paragraph 1 are punished with a fine "*from two hundred to seven hundred shares*" (previously it was from one hundred to five hundred shares);

- A new incriminating offence is introduced in paragraph 1-bis, namely the offence referred to in Article 629, third paragraph, of the Criminal Code, punishable by a fine of between three hundred and eight hundred shares, as well as by the disqualification sanctions provided for in Article 9, paragraph 2, for a period of not less than two years.

This new case aims to protect the increasing victims of this serious and frequent aggression, i.e. extortion through ransomware: these are blackmails carried out through the threat or implementation of cyber attacks and/or viruses through which the hacker commits extortion to obtain a profit.
The new rule is placed in the context of the ordinary case of extortion, however, with a peculiar guise: extortion by ransomware is a computer extortion in which technology represents a means of the offender's action. In other words, the coercive conduct towards the taxable person takes place through the prospect ("threat") of damage to the computer/telematic system or to the data contained therein.

The objective element of the crime of extortion, in fact, consists in a coercive conduct of the passive subject carried out through violence or threat. There must be an instrumental and etiological relationship between violence or threat and coercion, in which the former must represent the instrument for the realization of the latter, and, at the same time, the coercion must constitute the effect of the violence or threat. The event, on the other hand, is fourfold, in the sense that the agent's conduct must cause, progressively: a state of psychic coercion of the victim; The coerced victim must "*do or omit something*", in the sense of performing an act of patrimonial disposition – which can be either positive, consisting of a give or a do (for example, the giving of a sum of money or the alienation of an asset), or negative, consisting of a non-doing (e.g., failure to take legal action); there must be unjust damage that is inherent in the act of asset disposal, i.e. that is derived from the constraint put in place by the agent, since the harmful event cannot exist in *re ipsa*; finally, there must be an unjust profit in favor of the agent or other third parties.
With reference to the subjective element, generic malice is sufficient, as a conscience and willingness to force, through violence or threat, another person to perform an act of asset disposal to one's own detriment, procuring, for oneself or others, an unjust profit.
In this specific incriminating case, the purpose of the acting subject is to force the injured person to pay a ransom in order to regain possession of his data. Usually, extortion takes place through a notice that appears on the monitor, blocking the computer, which contains the directives to be met to obtain the key that allows data recovery. Therefore, often, it is also the threatening and/or violent conduct itself that is carried out electronically, for example, through e-mails, social networks, chat-lines or icons and warnings that appear on the system screen.
The term ransomware, in fact, derives from the union between "ransom", blackmail, and "malware", a malicious program for the computer system. The virus, once it enters the system, can encrypt the user's data, information and documents, denying them access.
The peculiarity of this incriminating provision is, therefore, also that it endangers assets other than those protected by the basic offence of extortion, i.e. the property and freedom of self-determination of the taxable person: the crime committed in computer systems affects a greater number of legal assets protected by the legal system, with particular reference to all those assets related to information technologies, such as confidentiality, the secrecy of computer communications (think of social network chats or the content of e-mail letters) and computer security. What is particularly worrying, in fact, is that the passive subjects of the crime are increasingly legal persons, who, by equipping themselves with a single company network, risk being involved in attacks that not only damage the computer system, but also affect the very life of the company, blocking its activity.

The offences provided for in paragraph 2, taking into account the amendments to the Criminal Code, shall be punished with a fine of "*up to four hundred shares*".

In essence, with the introduction of the new decree we are witnessing the introduction of a new crime in the catalog of predicate crimes for the administrative liability of entities and the general tightening of the sanctioning regime of computer crimes to cope with the new protection needs deriving from the advent of digital.

1.4.12 Decree-Law 92/2024, containing "Urgent measures in prison matters, civil and criminal justice and staff of the Ministry of Justice"

Legislative Decree no. 92 of 2024, containing "*Urgent measures in prison matters, civil and criminal justice and personnel of the Ministry of Justice"* was converted with amendments by Law no. 112/2024 on 10 August 2024 and contains amendments to the penitentiary system, the criminal code, the code of criminal procedure and Legislative Decree no. 231/2001. The decree entered into force on 11 October 2024.

Chapter I of the Decree lays down provisions on the recruitment of new staff in the Department of Penitentiary Administration. Chapter II contains provisions on penitentiary matters, criminal law and for the efficiency of the criminal process and represents the part of the regulatory text of interest here: art. 9 of the decree, in fact, brings amendments to the Criminal Code and introduces art. 314-bis.
As stated in the Explanatory Report attached to the Decree, this intervention was necessary in order to clarify and specify the terms of punishability of the properly non-appropriative conduct of the public official or the person in charge of the public service that does not fall within the hypotheses of the crime of embezzlement or abuse of office (now abolished) and for reasons of precise adaptation to the European Union legislation. With the reform implemented by Law No. 86 of 1990, in fact, the conduct of "distraction" for one's own profit or that of others from the crime of embezzlement (Article 314 of the Criminal Code) was suppressed and at the same time the crime of official use was reformed (Article 323 of the Criminal Code) which punished conduct that was not appropriative but consisted in changing the legal destination of money or public movable property.
In the doctrine, the urgency of the new intervention has been noted in the need to remedy the risk of creating a serious regulatory vacuum in the protection of the public administration in the light of the repeal of the crime of abuse of office (which occurred shortly after the entry into force of this decree law and which will be discussed *below*) and to avoid incurring a European Union sanction for violation of EU obligations – embezzlement for distraction is the subject of a obligation to incriminate under EU law.
In detail, art. 9, entitled "*Amendments to the Criminal Code and Legislative Decree no. 231 of 8 June 2001*" prescribes the following:
"1. The following is inserted in the Criminal Code after Article 314: "Article 314-bis (Undue use of money or movable property). - Except in the cases provided for in Article 314, a public official or person in charge of a public service, who, having by reason of his office or service the possession or in any case the availability of money or other movable property of others, allocates them to a use other than that provided for by specific provisions of law or by acts having the force of law from which there is no margin of discretion and intentionally procures for himself or others a unjust financial advantage or unjust damage to others, is punished with imprisonment from six months to three years. The penalty is imprisonment from six months to four years when the act offends the financial interests of the European Union and the unfair financial advantage or unjust damage is greater than 100,000 euros.
2. In Article 322-bis of the Criminal Code, in the first paragraph, introductory paragraph, after the word '314', the following shall be inserted: '314-bis' and, under the heading, after the word 'embezzlement', the following shall be inserted: 'undue use of money or movable property'.
2-bis. In the first paragraph of Article 323-bis of the Criminal Code, the following shall be inserted after the word '314'.
2-ter. In Article 25 of Legislative Decree No 231 of 8 June 2001, in the second sentence of paragraph 1, the words: 'Articles 314, first paragraph, 316 and 323' shall be replaced by the following: 'Articles 314, first paragraph, 314-bis and 316' and, under the heading, after the word: 'Peculato', the following shall be inserted: 'undue allocation of money or movable property' and the words: "and abuse of office" are suppressed".

Therefore, the new offence referred to in art. 314-bis of the Criminal Code, also introduced in art. 25 of Legislative Decree 231/2001, aims to punish the so-called "embezzlement for distraction".
In particular, embezzlement has a multi-offensive nature as it protects not only impartiality and good performance, but also the assets of the public administration.
The conduct, consisting in the appropriation of money or other movable property of others, is similar to that provided for by the embezzlement referred to in art. 646 of the Criminal Code, from which it differs in the qualification held by the active subject.
The new art. 314-bis of the Criminal Code, containing the crime of undue allocation of money or movable property, builds a median figure between arts. 314 (embezzlement) and 323 (abuse of office) of the Criminal Code and punishes the violation of functional duties by those who, public officials (according to the definition in art. 357 of the Criminal Code) or in charge of public service, exercise public duties.
The prerequisite is that there is, by reason of the office or service held, the legal availability of money or other movable thing - to be understood as a material entity, susceptible to being transported, which has an economically assessable value - of others.

The conduct consists in "destining" (distracting) the asset to a use other than that provided for "*by specific provisions of law or by acts having the force of law from which there is no margin of discretion*".
Therefore, regulations, as well as any ministerial decrees, circulars and/or resolutions of public bodies, remain excluded from the list of sources.
Relevance is attributed only to binding rules, subject to the deletion of administrative acts characterized by margins of discretion - administrative, technical or political.
Moreover, for the purposes of integrating the crime, it is also necessary to demonstrate the causal link with the alternative event for which the act resulted in an unfair financial advantage (also for others) or unjust damage (only to others);
The subjective element is intentional intent, for which the event of advantage or damage must be a desired and immediately pursued consequence, neither the eventual nor the direct intent being sufficient.
The punitive structure provides for imprisonment from 6 months to 3 years.
The reference to art. 314-bis is also inserted in art. 322-bis of the Criminal Code, which extends the application of certain types of offences to those who, within other Member States of the European Union, perform functions or activities corresponding to those of public officials and public service officers, as well as to members of international courts, bodies of the European Communities or international parliamentary assemblies or international organisations.

1.4.13 Law 114/2024 on "Amendments to the Criminal Code, the Code of Criminal Procedure, the Judicial System and the Code of Military Order" and the repeal of the crime of abuse of office

In the Official Gazette no. 187 of 10 August 2024, Law no. 114 of 9 August 2024 (so-called "Criminal Decree"). "Nordio Law") containing "*Amendments to the Criminal Code, the Code of Criminal Procedure, the Judicial System and the Code of Military Order*".
The measure entered into force on 25 August 2024, while some provisions (such as, for example, those on the collegial composition of the Judge for the purposes of applying pre-trial detention in prison) will enter into force on 25 August 2026.
Art. 1 prescribes the amendments to the Criminal Code that also affect the administrative liability of entities and which consist in the repeal of the crime of abuse of office referred to in art. 323 of the Criminal Code and in the modification of the crime of trafficking in illicit influence, referred to in art. 25 of Legislative Decree no. 231/2001.
In the Explanatory Report on the basis of the repeal of the crime of abuse of office, reasons are mentioned for the poor application of the incriminating provision, the lack of precision of the same and the need to reduce the judicial load, also given the wide disparity between entries in the register of suspects for abuse of office and actual convictions.
Furthermore, the Government has highlighted the presence of a wide range of crimes to protect the public administration in the criminal code that guarantee adequate protection.
Finally, mention is made of the articulated system introduced to prevent *malpractice* in the public sector, which provides for the introduction of anti-corruption plans for public administrations and the control of an independent agency, and whistleblowing reports.
The amendment of the crime of Trafficking in illicit influence, the Report also reads, aims to better specify the terms of punishability: in particular, the hypothesis of mediation consisting in the constitution of a provision "on behalf of corruption" is maintained and the other punishable hypotheses fall within the definition of "other illicit mediation" which is specified in the text of the law.
The hypothesis of bragging is eliminated and becomes punishable as fraud upon the natural existence of the constituent elements of this crime.
In particular, art. 1 paragraph 1 letter e) of the Law provides that:

- Article 346-bis is replaced by the following: '*Article 346-bis (Trafficking in illicit influence). — Any person who, except in cases of complicity in the offences referred to in Articles 318, 319 and 319-ter and in the*

offences of corruption referred to in Article 322-bis, intentionally using for this purpose existing relations with a public official or a person in charge of a public service or one of the other persons referred to in Article 322-bis, unduly causes to be given or promised, to himself or to others, money or other economic benefits, to remunerate a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, in relation to the exercise of his functions, or to carry out another unlawful mediation, shall be punished with a sentence of imprisonment from one year and six months to four years and six months. For the purposes referred to in the first paragraph, other unlawful mediation means mediation to induce the public official or the person in charge of a public service or one of the other subjects referred to in Article 322-bis to perform an act contrary to the duties of office constituting a crime from which an undue advantage may derive. The same penalty applies to those who unduly give or promise money or other economic benefits. The penalty shall be increased if the person who unduly causes money or other economic benefits to be given or promised, to himself or to others, has the status of public official or person in charge of a public service or one of the qualifications referred to in Article 322-bis. The penalty shall also be increased if the acts are committed in connection with the exercise of judicial activities or in order to remunerate a public official or a person in charge of a public service or one of the other persons referred to in Article 322-bis in relation to the performance of an act contrary to the duties of office or the omission or delay of an act of his office.'

1.4.14 LEGISLATIVE DECREE 141/2024 AND THE CUSTOMS REFORM

On 3 October 2024, Legislative Decree 141/2024 was published in the Official Gazette, containing "*National provisions complementary to the Union Customs Code and revision of the system of penalties in the field of excise duties and other indirect taxes on production and consumption*", in force since 4 October 2024, which introduces a regulatory reorganisation on customs and excise duties, in implementation of the enabling law on tax reform (Law no. 111 of 9 August 2023).
The new regulatory text has repealed the old Consolidated Law on Customs Laws (TULD) and some special rules, with direct consequences on Legislative Decree no. 231/2001.
In particular, art. 4 of Legislative Decree 141/2024 prescribes the following "*amendments to Legislative Decree no. 231/2001*":
1. In Article 25-sexiesdecies of Legislative Decree No 231 of 8 June 2001:
(a) in paragraph 1, the words: 'by Presidential Decree No 43 of 23 January 1973' shall be replaced by the following: 'by national provisions supplementary to the Union Customs Code, referred to in the legislative decree issued pursuant to Articles 11 and 20(2) and (3) of Law No 11 and 20 of 9 August 2023. 111, and by the consolidated text of the legislative provisions concerning taxes on production and consumption and related criminal and administrative sanctions, referred to in Legislative Decree no. 504 of 26 October 1995";
(b) in paragraph 2, the words: 'border fees' shall be replaced by the following: 'taxes or border fees';
(c) in paragraph 3, the following words shall be added at the end: 'and, only in the case provided for in paragraph 2, also the disqualification sanctions provided for in Article 9(2)(a) and (b)'.
Well, art. 25-sexiesdecies in the old wording had as its object the prosecution of the entity in relation to the commission of smuggling crimes provided for by the TULD, which - from art. 282 to art. 301 - punished the conduct of those who introduced into the territory of the State, in violation of customs provisions, goods subject to "border duties".
Now, the provisions on customs and the related offences are contained in Annex 1 of the aforementioned legislative decree which contains the definition of customs duties and border duties as well as a redefinition of customs violations divided into criminal offences and administrative offences.

1.4.15 LAW 143/2024 AND A NEW REPORTING OBLIGATION FOR CERTAIN SPECIFIC ENTITIES

On 8 October 2024, Law No. 143 of 7 October 2024 was published in the Official Gazette, converting the so-called omnibus decree – Legislative Decree No. 113 of 9 August 2024 – containing "Urgent measures of a fiscal nature, extensions of regulatory deadlines and interventions of an economic nature".
The conversion law, in particular, among other innovations, inserts in the omnibus decree art. 6-ter, entitled "Introduction of Article 174-sexies of Law No. 633 of 22 April 1941".
The new Article 174-sexies of Law 633/1941 prescribes, in paragraph 1, an obligation to report to the judicial authority or the judicial police "all relevant information" with respect to the criminal conduct provided for by the law on copyright, by Article 615-ter of the Criminal Code – conduct of abusive access to a computer or telematic system – and by Article 640-ter c.p. – conduct of computer fronds – of which the recipients have become aware.
This obligation therefore arises when it becomes actually known that the aforementioned criminal conduct has been carried out or attempted to be carried out and concerns:

- network access service providers;
- search engine operators;
- providers of information society services, including providers and intermediaries of *Virtual Private Networks* (VPNs) or technical solutions that hinder the identification of the originating IP address;
- content delivery network *operators*;
- providers of distributed internet security and *Domain Name System* (DNS) services, which stand between visitors to a site, and hosting providers who act as reverse proxy servers for websites.

Pursuant to paragraph 2, these parties are also required to designate and notify the Communications Authority (AGCOM) of a "contact point" that allows them to interface with the same Authority regarding the aforementioned criminal conduct.
The last paragraph of the new article punishes the omission of the report with imprisonment of up to one year and recalls the application of art. 24-bis of Legislative Decree no. 231/2001.
Therefore, although the catalogue of predicate offences has not been expressly expanded with the new criminal offence of failure to report relevant facts referred to in art. 174-sexies of Law 633/1941, the express reference contained in the last paragraph of the new article requires companies to take note of the new provision.
Therefore, it is considered appropriate to point out this regulatory change, despite the fact that the Company is not among the subjects subject to the obligation due to its corporate business.

1.4.16 DECREE LAW 145/2024: NEW IMMIGRATION AND DIGITIZATION DECREE

Decree-Law No. 145 of 11 October 2024 on "*Urgent provisions on the entry into Italy of foreign workers, protection and assistance to victims of illegal hiring, management of migration flows and international protection, as well as related judicial proceedings*" introduced amendments to the Consolidated Law on Immigration (Legislative Decree 286/98) (TUI) aimed at telematizing and digitizing various steps of the administrative process for the request for flows.
The main changes that are of interest here relate to the amendments to art. 22 of Legislative Decree no. 286/1998 (Fixed-term and open-ended employment) and the introduction of Art.18-ter Legislative Decree no. 286/1998 (Residence permit for foreigners who are victims of illegal intermediation and labour exploitation) which are part of Art. 25-duodecies of Legislative Decree 231/01 (Employment of illegally staying third-country nationals).

In particular, art. 1, paragraph 1, letter e) of Decree-Law 145/2024 amends Article 22 as follows:
(1) in paragraph 2:
(1.1) in the introductory paragraph, the words 'must submit' shall be replaced by the following: 'must transmit electronically';
(1.2) in point (b), the following words shall be added at the end: ', signed by affixing a digital signature or other type of qualified electronic signature';
(1.3) point (d-a) is replaced by the following:

'(d-bis) the certification referred to in Article 24-bis(2), signed by means of a digital signature or other type of qualified electronic signature;';
(1.4) the following is added after point (d-bis):
'(d-ter) (indication of the digital domicile included in one of the national indices established by Articles 6-bis and 6-quarter of the Digital Administration Code, referred to in Legislative Decree No 82 of 7 March 2005.';
(2) after paragraph 2, the following shall be inserted:
'2-bis. The prior verification referred to in paragraph 2 shall be deemed to have been carried out with a negative outcome if the employment centre does not communicate the availability of workers present on the national territory within eight days of the request of the employer interested in hiring foreign workers residing abroad.
2-ter. An application submitted pursuant to paragraph 2 by an employer who, in the three years prior to the submission, having submitted a previous request for work authorisation, has not signed the residence contract referred to in Article 5-bis at the end of the relevant procedure, shall be inadmissible.
The provision referred to in the first sentence does not apply if the employer proves that the failure to sign is due to a cause not attributable to him. A request submitted by the employer against whom, at the time of submission of the application, a decree ordering the trial for the offences referred to in Articles 600, 601, 602 and 603-bis of the Criminal Code has been issued or a conviction has been issued, even if not definitively, for the aforementioned offences shall also be inadmissible.';
(3) in paragraph 5-ter, the words: 'if the foreign national does not go to the immigration desk to sign the residence contract within the time limit referred to in paragraph 6, unless the delay is due to force majeure' shall be replaced by the following: 'if the residence contract referred to in Article 5-bis, signed in accordance with the procedures referred to in paragraph 6, shall not be sent to the one-stop shop for immigration within the time limit referred to in the same paragraph, unless the delay was due to force majeure or in any case not attributable to the worker';
(4) the following shall be inserted after paragraph 5-quarter:
'5-quinquies. The employer is required to confirm the request for work clearance at the one-stop shop for immigration within seven days of the communication of the conclusion of the customary checks on the application for an entry visa submitted by the worker. In the absence of confirmation within the aforementioned deadline, the request is considered refused and the authorization, if already issued, is revoked. In case of confirmation, the consular office in the foreigner's country of residence or origin issues the entry visa. Communications between the consular office and the one-stop shop for immigration shall take place exclusively through the IT portal for the management of applications for entry visas to Italy.';
(5) paragraph 6 is replaced by the following:
'6. Within eight days of the date on which the foreign worker enters the national territory, the employer and the foreign worker shall sign, by means of a digital signature or other type of qualified electronic signature, the residence contract referred to in Article 5-bis. The employee can also sign the contract in handwritten form. The affixing of the digital signature or other type of qualified electronic signature of the employer on the electronic copy of the contract signed in handwritten form by the employee constitutes a declaration pursuant to Article 47 of the consolidated text of the legislative and regulatory provisions on administrative documentation, referred to in the Decree of the President of the Republic of 28 December 2000, no. 445, regarding the handwritten signature of the worker. This document shall be transmitted electronically by the employer to the one-stop shop for immigration for the purposes of the application for the issuance of a residence permit.';
The main novelty relates to the obligation for the employer to have a digital domicile, i.e. a Certified Electronic Mail (PEC) address to be registered in one of the national indices provided for by art. 6-bis and 6-quarter of the Digital Administration Code (Legislative Decree 82/2005), i.e. INI-PEC or INAD.
The PEC will be the point of reference for all communications exchanged with the Single Desk for Immigration (SUI) during the entire process (art. 1 paragraph 4).
Another novelty concerns the signing of the residence contract between the foreign worker and the employer. The changes implemented provide that this will no longer have to be signed at the relevant SUI, but must be sent electronically to the SUI once signed by the parties, and in any case within the first 8 calendar days of the foreign worker's entry into Italian territory. In addition, the employer will now have to affix his digital signature ("or other type of qualified electronic signature") on the electronic copy of the contract already signed by the employee in handwritten form.

Article 18-ter of the TUI, entitled "*Residence permit for foreigners who are victims of illegal intermediation and labour exploitation*", provides for the possibility that victims may be issued with a special residence permit called "special cases – 18 ter" for a duration of six months renewable for one year or for the longer period necessary for reasons of justice. Members of the victim's family unit present in Italy are also allowed to escape the condition of vulnerability thanks to the granting of a residence permit for family reasons.
- The residence permit is issued by the Police Commissioner immediately, at the instigation of the Public Prosecutor's Office or following receipt of an opinion from the Labour Inspectorate.

1.4.17 LAW 166/2024 AND THE EXPANSION OF COPYRIGHT OFFENCES

On 15 November, Law 166/2024 came into force, converting with amendments Legislative Decree No. 131 of 16 September 2024, relating to "*Urgent provisions for the implementation of obligations deriving from the European Union".* The new legislation aims to liberalise the management of copyright, also allowing independent management entities (EGIs), i.e. private for-profit operators not controlled by rights holders, to operate in Italy for intermediation activities in the copyright sector.
It follows that articles 171-bis, 171-ter and 171-septies of Law 633/1941, referred to in art. 25-novies of Legislative Decree no. 231/2001, now punish not only the counterfeiting of SIAE marks, but also that relating to marks issued by other collective management organisations or independent management entities.

1.4.18 SECURITY DECREE 2025

The Security Decree 2025 (Legislative Decree no. 48/2025), containing "*Urgent provisions on public safety, protection of personnel in service, as well as victims of usury and penitentiary system",* introduces a new autonomous criminal offence, codified in Art. 270-quinquies.3 of the Criminal Code, entitled "Possession of material for the purpose of terrorism", and integrates Art. 435 of the Criminal Code (Manufacture or possession of explosive materials), providing for imprisonment from 6 months to 4 years for the dissemination or advertising of material intended to teach how to build explosive devices or to carry out attacks against public safety, both part of Art. 25-quarter of Legislative Decree 231/2001 (Crimes with the purpose of terrorism or subversion of the democratic order).
The *rationale* of the regulatory intervention is to strengthen the tools to combat international and domestic terrorism.
In particular, art. 1 paragraph 1 letter a) of Legislative Decree 48/2025 introduces art. 270-quinquies.3, which prescribes the following: "*Whoever, except in the cases referred to in articles 270-bis and 270-quinquies, knowingly procures or possesses material containing instructions on the preparation or use of deadly weapons referred to in article 1, first paragraph, of law no. 110 of 18 April 1975, firearms or other weapons or harmful or dangerous chemical or bacteriological substances, as well as on any other technique or method for carrying out acts of violence or sabotage of essential public services, for the purpose of terrorism, even if directed against a foreign State, an institution or an international body, shall be punished with imprisonment from two to six years*".
Article 1, paragraph 1, letter b), prescribes that "the following paragraph is added at the end of Article 435: "*Except in cases of complicity in the offence referred to in the first paragraph, any person who, by any means, including by electronic means, distributes, disseminates, disseminates or publicises material containing instructions on the preparation or use of the materials or substances referred to in the same paragraph, or on any other technique or method for the commission of any of the non-culpable crimes referred to in this title punishable by imprisonment of not less than five years, shall be punished with imprisonment from six months to four years*".

1.4.19 CRIMES AGAINST ANIMALS

Law 82/2025, concerning "*Amendments to the Criminal Code, the Code of Criminal Procedure and other provisions for the integration and harmonization of the discipline on crimes against animals*", introduced the administrative liability of entities for crimes against animals, adding Article 25-undevicies to Legislative Decree no. 231/2001.
This regulatory intervention aims to punish legal persons in the event of the commission of crimes against animals.
In particular, pursuant to art. 25-undevicies:

1. *In relation to the commission of the offences provided for in Articles 544-bis, 544-ter, 544-quarter, 544-quinquies and 638 of the Criminal Code, a fine of up to five hundred shares shall be imposed on the entity.*
2. In the event of a conviction or the imposition of a penalty at the request of the parties, in accordance with Article 444 of the Code of Criminal Procedure, or a penalty order pursuant to Article 459 of the Code of Criminal Procedure,
For the offences referred to in paragraph 1 of this article, the disqualification sanctions provided for in Article 9, paragraph 2, of this decree shall apply to the entity for a period not exceeding two years.
3. Paragraphs 1 and 2 shall not apply to the cases provided for in Article 19-ter of the coordination and transitional provisions for the Criminal Code.

2. Company Details

2.1 COMPANY IDENTIFICATION DATA AND OFFICES

Denomination	FASHIONART S.p.A. (hereinafter referred to as the Company)
Legal and operational headquarters	Limena (PD) Via Cesare Battisti, n. 29 CAP 35010
Tax Code/VAT number	3656480286
Duration	31/12/2050

2.2 LEGAL FORM

Pursuant to Article 1 of the Articles of Association, the Company is constituted in the form of a Joint Stock Company.

As of 28.10.2022, FashionArt S.p.A. is subject to the management and coordination of the majority shareholder, Chanel International B.V., pursuant to art. 2497-bis of the Italian Civil Code.

3. Description of the activity

3.1 CORPORATE PURPOSE AS PER THE ARTICLES OF ASSOCIATION

Pursuant to Article 4 of the Articles of Association, the activity carried out by the Company is:

"*the design, construction and related processing, packaging and marketing phases of clothing also through processing on behalf of third parties as well as furniture and accessories of all kinds, sports and leisure items, household items, small parts; - the assumption and granting of agency mandates with or without representation by and in favor of Italian and/or foreign principal companies; - the organization of commercial networks and sales stores; - the preparation of drafts and samples of clothing items; - the design activity, design services of clothing, furniture and accessories of all kinds, sports and leisure items, household items, small parts; - graphic services related to the world of clothing, sport, leisure, furniture in general and the creation of prototypes of articles of various kinds; - consultancy in the activities indicated above, retail and wholesale marketing of clothing items in general, various and minute objects, sports and leisure items, furniture and household items; - the organization and promotion of events related to the activities listed above, management consulting and general training activities; - the creation of websites and various services on the internet, software production and hardware resale; - the organization of professional training courses in the textile and related sectors; - the provision of services to companies related to the use of computers (e.g. electronic publishing, data storage on optical media, etc.); - data processing activities; - the sale, wholesale and retail, of goods of the textile and clothing industry and of any other goods for which it is not expressly subject to the issue of licenses and/or authorizations. The Company may assume or grant to third parties agency, commission and representation mandates, with or without funding, as well as carry out all commercial, financial, securities and real estate transactions necessary or useful for the achievement of the company's purposes. The Company may also acquire shareholdings and interests in other companies or enterprises of any nature having a similar, similar or connected object to its own, issue sureties and other guarantees in general, including real ones, provided that these activities are not carried out to a predominant extent with respect to those that constitute the corporate purpose and in any case within the limits set out in art. 2361 of the Civil Code*".

3.2 Actual activity carried out by the Company

The Company's legal and operational headquarters are in Limena (PD), via Cesare Battisti, no. 29. Work is carried out both at the registered office and at the premises of subcontractors.

The Company's activity consists of:

- design, construction and related processing, packaging and marketing phases of clothing also through third-party processing;
- preparation of drafts and samples of clothing items;
- design activities, clothing design services;
- creation of prototypes of textile items;
- consultancy in the activities indicated above;
- organization and promotion of events related to the activities listed above, management consulting and general training activities.

In addition, from 10 April 2020, in the face of the epidemiological emergency due to the spread of the Covid-19 virus, the Company started the secondary activity of making gowns, uniforms and other workwear, with the ATECO code 14.12.00. The production of products falling under the aforementioned ATECO code will continue even after the end of the epidemiological emergency.

3.3 Relevant definitions

Client: the Company's customer who entrusts the same, through a specific subcontracting agreement, with the production of finished garments, or more rarely, fabric panels after carrying out specific treatments/washes;

Subcontracting: the Company defines all production activities, of any nature, outsourced to its sub-suppliers;

Virtual warehouse: the warehouse present in the management system, from which it is possible to obtain which goods are present in the physical warehouses or at the Company's subcontractors;

Technical job descriptions: detailed description of the work under the responsibility of each Function Manager and his/her employees/appointees;

Cutting note: a special file that the Company receives from the cutters that carry out the relevant processes as a result of a specific subcontracting contract, aimed at determining, among other things: how many garments have been cut and what fabric remnants there are;

PDM: Product Data Management, i.e. the product data management system used by the Company;

Retroplanning: file prepared by the Production Manager in order to establish, backwards on the basis of the deadlines provided by the customers, what are the deadlines that must be respected in the production phase;

Subcontractors: all the subcontractors of the Company that it uses to produce the finished product for its customers.

4. Corporate Organization

4.1 Administrative Body

The administrative body of the Company is the Board of Directors.

Pursuant to Article 20 of the Statute (Annex 1):

"*The company is managed by a Sole Director or by a Board of Directors composed of a minimum of 3 (three) and a maximum of 9 (nine) members chosen also from among non-shareholders, appointed by the Ordinary Shareholders' Meeting.*

The Administrative Body remains in office for three financial years expiring on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office.

The choice of the system of administration and, in the case of the Council, the determination of the number of members is reserved for the decision of the members.

The members of the Administrative Body may be re-elected, may be co-opted in compliance with Article 2386 of the Italian Civil Code and are subject to the prohibition of competition pursuant to Article 2390 of the Italian Civil Code.".

The Board of Directors currently in office is composed of five directors, with a term of office until the date of the shareholders' meeting called to approve the financial statements as at 31 December 2027, as per the last shareholders' resolution of 16.04.2025 (annex 2):Bruno André Jean Pavlovsky (Chairman), appointed by resolution of 29/09/2022 and renewed by resolution of 16.04.2025;

- Andrea Rambaldi (Chief Executive Officer), appointed by deed dated 29/09/2022 and renewed by deed dated 16.04.2025;
- Jacques Marie Daniel Chenain, appointed by deed dated 29/09/2022 and renewed by deed dated 16.04.2025;
- Festa Ciro Alessio, appointed by act dated 27/04/2023;
- Fasanotti Alberto, appointed by deed dated 08/07/2024.

Pursuant to art. 22, paragraph 1 of the Articles of Association, the Board of Directors has the following powers:

"*The Sole Director or the Board of Directors are vested with the broadest powers for the ordinary and extraordinary management of the Company without exceptions of any kind and in particular are granted all the powers for the achievement of the corporate purposes that are not strictly reserved by law or by these Articles of Association to the Shareholders' Meeting. The following powers are also attributed to the Administrative Body: a) the merger resolution in the cases referred to in art. 2505, 2505 bis, 2506 ter last paragraph of the Italian Civil Code; b) the reduction of the share capital in the event of withdrawal of the shareholder in accordance with the provisions of art. 2437 ter et seq. of the Italian Civil Code.*".

4.2 Representation of the Company

Art. Article 24 of the Articles of Association provides that:

"*The representation of the Company, before third parties and in court, with the relevant corporate signature, is the responsibility of the Sole Director or the Chairman of the Board of Directors or, in the event of absence or impediment, the Deputy Chairman.*

Negotiation and judicial representation is devolved to the Chief Executive Officer, if any, within the scope of the functions and duties assigned."

The Chairman of the Board of Directors currently in office is Bruno André Jean Pavlovsky, appointed by resolution dated 29/09/2022 and whose appointment was renewed by resolution dated 16.04.2025 with a term of office until the date of the shareholders' meeting called to approve the financial statements as at 31 December 2027.

Andrea Rambaldi is Chief Executive Officer appointed by resolution of 29/09/2022 and whose appointment was renewed by resolution of 16.04.2025 with a term of office until the date of the shareholders' meeting called to approve the financial statements as at 31 December 2027.

No directors, institors or attorneys have been appointed.

4.3 Delegated bodies and special prosecutors

Art. Article 22, paragraphs 2 and 3 of the Articles of Association establishes that:

"*Within the limits established by art. 2381 of the Italian Civil Code, the Board of Directors may delegate part of its duties and powers to one or more of its members, with the title of Chief Executive Officer.*

It may also assign special tasks and special functions of a technical and administrative nature to one or more of its members."

With the minutes of the Board of Directors meeting of 29/09/2022, Andrea Rambaldi was granted the following powers: powers of ordinary administration under the supervision of the Board of Directors and in the name and on behalf of the company, in a context of day-to-day management of current affairs and for the optimization of the company's operations, excluding only those that by law and/or bylaws are devolved to the exclusive competence of the shareholders' meeting, of the Board of Directors and/or the Chairman, as well as excluding those referred to in subsequent resolutions, with the power to appoint attorneys for individual acts or categories of acts, and to issue powers to third parties relating to the exercise of their powers within the limits and for the purposes indicated below.

In particular, the following powers are conferred on the director Andrea Rambaldi:

I) make, accept and authorize all purchases, exchanges, contributions, sales or transfers of all products, equipment and movable property in the context of the day-to-day management of the company's business within the limits defined below;

II) determine and negotiate the selling price of products, and the purchase price of raw materials, and negotiate the related payment terms;

III) concluding, modifying, negotiating and signing any contract or letter of intent within the limits defined below;

IV) carry out all maintenance or development work, both routine and urgent;

V) carry out the following daily personnel management operations: i. have payslips prepared and employee salaries and contributions paid; ii. ensure regular monitoring of all aspects of individual employment relationships; iii. management and monitoring of income and expenses, declarations, medical examinations, accidents, illnesses, holidays, viewing and keeping of all records, and all day-to-day management actions; iv. represent the company before the representative institutions of the staff (including: labour inspectorate, provincial and regional labour offices, institutes for compulsory insurance, I.N.P.S. and A.S.L. and all administrative authorities for the granting of concessions, licences and authorisations) and, in particular, the representatives of the staff, delegates and trade union representatives and, to this end, summon them, receive them and carry out the obligations incumbent on the company towards them in compliance with the law; v.ensure compliance with social legislation in the context of individual employment relations and carry out all necessary actions in compliance with the applicable rules under labour law and social security legislation, ensure compliance with laws regarding health and safety at work. The administrator Rambaldi must ensure the exact application of all the rules relating to ordinary and extraordinary remuneration, special treatment, the payment of insurance and social security contributions and compliance with the rules relating to, and in general, the provisions contained in the collective labour agreements and the legislative and regulatory provisions issued by the Labour Inspectorate, I.N.P.S., A.S.L. and the competent authorities. Any liquidation, communication, declaration or fulfilment to which the company has been required as a result of the above rules and measures will be managed by the same;

VI) without prejudice to the following limitations, conclude agreements, contracts or tenders/subcontracts and authorise them, for a fixed price or otherwise;

VII) participate in bids and tenders and subsidies for a value not exceeding € 500,000.00;

VIII) request or accept all authorizations;

IX) contract and terminate insurance policies or contracts for risks of any kind, discuss and determine the terms of all claims;

X) open, close and extinguish all current accounts opened or to be opened, in the name of the Company, with all banks or credit institutions or financial institutions; with the joint signature of at least one other director, take loans or open lines of credit for amounts exceeding the amount of Euro 10,000.00 (ten thousand) per single transaction and exceeding the annual total of Euro 50,000.00, (fifty thousand) with the exclusion of credit lines relating to corporate credit cards; carry out ordinary administration operations on the Company's current accounts, obtain all cheque books, rent safe deposit boxes and collect their contents; manage current accounts; all receipts or releases and sign any receipts, payslips, correspondence or documents;

XI) authorize payments to the Company's current accounts, with joint signature with the CFO, Antonio De Robertis, up to Euro 300,000.00 (three hundred thousand) per transaction;

XII) collect all sums due to the Company;

XIII) sign correspondence, receive and collect registered letters, registered or unregistered envelopes, telegrams, money orders received at the company's address, give receipts or releases for all sums, money orders, documents or items received;

XIV) receive from any administrative authority the amounts to which the company should be entitled by way of reimbursement or for any reason, and give receipt;

XV) represent the company before the State, public or private bodies and administrations, as well as in court before any judicial authority for any phase and level with the power to confer a professional mandate on

lawyers and consultants, carry out all formalities with the Treasury, the Post Office and the Guardia di Finanza;

XVI) certify and mail all necessary documents, declarations and proof and payment of all taxes, fines, penalties and apply for all discounts or reductions of all taxes, fines and penalties;

XVII) make donations to third sector entities, research institutes, or to the national health service within the limit of 10,000 euros over each calendar year;

XVIII) any recruitment that has already been approved by the Board of Directors and/or mentioned in the company's budget, with the exception of the recruitment of executives;

XIX) the stipulation of a new contract with a freelancer and the termination of such agreement, which have already been approved by the Board of Directors and/or mentioned in the company's budget for a value not exceeding €100,000 per year; for a higher amount, the joint signature of another councillor will be required;

XX) the purchase of products and services not related to the production cycle or development research, for a value not exceeding Euro 50,000.00 (fifty thousand) per year and a maximum duration of 2 years, it being understood that for higher amounts the joint signature of at least one other director or attorney of the Company will be required, as follows: with joint signature with the director Ciro Festa over Euro 50,000.00 (fifty thousand/00) and up to Euro 250,000.00 (two hundred and fifty thousand/ 00); with joint signature with Councillor Jacques Chenain over Euro 250,000.00 (two hundred and fifty thousand/00), and up to Euro 500,000.00 (five hundred thousand/00); with joint signature with the Chairman of the Board of Directors over Euro 500,000.00 (five hundred thousand/00);

XXI) the purchase of fixed assets (including tools and equipment, but excluding real estate), and the leasing and/or financial leasing of the aforementioned fixed assets, as provided for in the budget approved by the Board of Directors, with no limit on the amount;

XXII) the purchase of fixed assets (including tools and equipment but excluding real estate) and/or leasing and/or financial lease of fixed assets exceeding the annual budget approved by the Board of Directors for an amount not exceeding Euro 500.00 (five hundred.00) per fixed asset, it being understood that for higher amounts the joint signature of at least one other director or attorney of the Company will be required, as follows: with the joint signature of the CFO, Antonio De Robertis, over Euro 500.00 (five hundred/00) and up to Euro 10,000.00 (ten thousand/00); with joint signature with a director over Euro 10,000.00 (ten thousand/00).

XXIII) temporary recruitment and/or recruitment for replacement in the event of resignation (it being understood that the recruitment must be of the same level as the employee to be replaced);

XXIV) each hiring of a manager, with the joint signature of at least one other director (even if the hiring is provided for in the budget);

XXV) any dismissal or exit agreement (with the exception of managers) with the joint signature of a director;

XXVI) annual increase in the salaries of personnel employed in the company (employees and self-employed persons), including production bonuses, individual bonuses and exceptional bonuses required by law;

XXVII) sign any intra-group agreement (between the company and the other entities of the group to which it belongs) with the exception of loans, which will require the joint signature of a director;

XXVIII) sign and accept any documentation or agreement in connection with intra-group cash management services. such documentation includes, but is not limited to, account terms, electronic banking documentation, target balancing and cash pooling agreements, payment and credit service agreements or other agreements relating to financial and banking transactions;

XXIX) the signing of secondment contracts (both as posting agent and secondee), in compliance with the company's budget.

The aforementioned powers are subject to the following limitations and in particular the prior written authorization of the Board of Directors will be necessary for the following activities:

A) the grant of any warranty or charge of any kind on the assets of the company or the agreement of the company to give its personal guarantee in favor of any person;

B) buy or sell the company, business units or shareholdings;

C) total or partial sale of fixed assets, total or partial transfer of the use of fixed assets, securities or assets whatever their amount;

D) the purchase of products (including raw materials) relating to the production cycle or development research for a value exceeding Euro 450,000 per order, entrusting work to external subcontractors and purchase of semi-finished products relating to the production cycle or development research for a value exceeding Euro 700,000 per order (therefore, below these amounts, the director Andrea Rambaldi is authorised to make payments without the approval of the Board of Directors), with the exception of purchase orders/contracts and procurement/subcontracting contracts above the aforementioned thresholds and relating to orders/contracts confirmed in writing by customers up to Euro 2,000,000, it being understood that for higher amounts the joint signature of at least one other Director will be required;

E) incorporation, spin-off or transfer of assets or company lease agreement;

F) any collective redundancies;

G) conclusion of any agreement, settlement or conciliation in the event of out-of-court disputes for an amount exceeding € 50,000.00.

H) conclusion of any agreement, settlement or conciliation in court for an amount exceeding € 50,000.00.

It is understood that within the aforementioned limits and purposes, Andrea Rambaldi: will have the authority to initiate and sign all deeds, letters and documents, elect domicile for service, replace one or more persons in whole or in part for these powers and, more generally, do whatever is necessary for the aforementioned purposes; will have total independence and autonomy to act in the interest of the company within the scope of the proxies; If necessary, and to the extent necessary, he will be able to benefit from the help of experts external to the company and external consultants who the company normally uses and who can be called for any specific issue that may arise.

With the minutes of the board of directors dated 29/09/2022: i) to appoint Andrea Rambaldi, who accepts the position, as employer, also pursuant to the provisions of the Italian Civil Code and Legislative Decree no. 81/2008 (Consolidated Law on Health and Safety at Work), in relation to all current or future places in which, even temporarily, activities pertaining to the company or in any case connected to them are exercised or will be carried out, which will have the duty to qualify as an employer in relations with employees and third parties. To Mr. Andrea Rambaldi, the following powers are conferred, by way of example only: a) to carry out all the acts, practices and formalities aimed at guaranteeing the safety of all workplaces, plants, laboratories and machinery located within the company and to ensure the application and constant compliance with all legal and regulatory provisions on prevention and safety at work; taking care of the timely issue and renewal of the prescribed authorizations, concessions, licenses, clearances and, more generally, the timely release of the necessary administrative acts; b) to provide for the drafting and forwarding of complaints, declarations, communications, information and reports, required by laws and regulations and, in particular, the complaints provided for by current legislation, as well as their renewal; c) ensure the timely fulfilment of the prescriptions given by the supervisory bodies on safety and hygiene at work; d) to ensure that the measures and obligations provided for by laws, regulations or public authority provisions are implemented in the field of first aid, rescue, fire prevention, firefighting and emergency management; e) represent the company before the public bodies and bodies responsible for exercising the control, inspection and supervisory functions provided for by current and future legislation, in all relations relating to the exercise of the delegated functions, attending accesses and visits to the company and its ancillary areas, and accessing the legitimate requests made by public officials; f) in order to carry out the functions specified above, represent the company in court, both as plaintiff and as

defendant, before any judicial or administrative authority, of any order and level, with the power to appoint and dismiss lawyers, prosecutors and experts at any level and type of trial. For the effective compliance with the legal obligations described above, Andrea Rambaldi is given the right to independently decide the appropriate expenses to be incurred, without the need for further authorization, up to the maximum amount of Euro 100,000, established that the expenses incurred are documented, it being understood that in the event of an emergency there will be no budget limit without prejudice to Andrea Rambaldi's reporting obligation. In exercising the aforementioned powers, Andrea Rambaldi may sign separately from others and with a free signature all the necessary deeds, proxies and correspondence. Andrea Rambaldi expressly declares that he accepts the position of employer, pursuant to the provisions of the Italian Civil Code and Legislative Decree no. 81/2008 (Consolidated Law on Health and Safety at Work), expressly waiving any remuneration for this specific appointment. 2) To appoint Andrea Rambaldi, who accepts the position, responsible for environmental protection pursuant to Legislative Decree no. 152/2006 (consolidated environmental law). To Mr. Andrea Rambaldi, by way of example, the following powers are conferred: a) to represent the company to all intents and purposes, before all public and private bodies and bodies responsible for exercising the functions of supervision, verification and control provided for by all national and local rules and regulations on environmental matters, as well as with all the broadest decision-making and signing powers; b) represent the Company, in relation to disputes relating to environmental protection before any judicial or administrative authority (including hierarchical and opposition proceedings), of any order and level, with the power to appoint and revoke lawyers, attorneys and experts and/or party consultants; c) provide for the timely obtaining and related renewals of all permits, authorizations, concessions, licenses, clearances and any other public act necessary for the performance and/or substantial modification of the business activity, with the power to sign all the related applications, as well as the sending of any prescribed communication or self-certification about the business activity itself; d) provide for the drafting and forwarding of all complaints, declarations, communications, information and reports, required by environmental legislation; for the effective compliance with the legal obligations described above, Andrea Rambaldi is given the right to independently decide the appropriate expenses to be incurred, without the need for further authorization, up to the maximum amount of Euro 100,000, established that the expenses incurred are documented, it being understood that in the event of an emergency there will be no budget limit without prejudice to Andrea Rambaldi's obligation to report. In exercising the aforementioned powers, Andrea Rambaldi may sign separately from others and with a free signature all the necessary deeds, proxies and correspondence. 3) Designate the director Andrea Rambaldi, who accepts, as tax representative of the company, with all the widest powers, none excluded, so that the same, or a person delegated by him, can with a free signature, in the name and on behalf of the company, fulfill the obligations deriving from the application of taxes and/or fulfill the obligations of payment of the same and/or submission of tax returns and in general carry out any act and/or fulfillment, make a declaration, sign any other document and/or agreement inherent, consequential, connected and/or instrumental to these purposes.

By the minutes of 31/03/2025 of the Board of Directors, the CFO, Antonio De Robertis, was granted the following powers: i) to make, accept and authorize all purchases, exchanges, contributions, sales or transfers of all products, services, plants and movable assets in a context of day-to-day management of the company's business within the limits defined below:

a. purchase of products (including raw materials) relating to the production cycle or development research for a value not exceeding Euro 100,000.00 thousand (one hundred thousand.00) per order, or entrusting work to external subcontractors and purchase of semi-finished products for a value not exceeding Euro 100,000.00 (one hundred thousand) per subcontractor, it being understood that for higher amounts the joint signature of at least one other director or attorney of the Company will be required, as follows: - with the joint signature of the CEO, Andrea Rambaldi, for the purchase of products (including raw materials) relating to the production cycle or development research for a value of over Euro 100,000.00 (one hundred thousand.00) and up to Euro 450,000.00 (four hundred and fifty thousand) per order; - with the joint signature of the CEO, Andrea Rambaldi, for the assignment of work to external subcontractors and the purchase of semi-finished products for a value of over Euro 100,000.00 (one hundred thousand.00) and up to Euro 700,000.00 (seven hundred thousand.00). If the order/contract for the purchase of products and/or contract/subcontracting relates to an order/contract confirmed in writing by a customer up to Euro 2,000,000.00, the limits referred to in point a) are

increased to Euro 200,000.00 per order, it being understood that for higher amounts the joint signature of the CEO, Andrea Rambaldi, will be required. according to the limits defined above.

b. purchase of products and services not related to the production cycle or development research, for a value not exceeding Euro 50,000.00 (fifty thousand.00) per year and a maximum duration of 2 years, it being understood that for higher amounts the joint signature of at least one other director or attorney of the Company will be required, as follows: - with a joint signature with the director Ciro Festa over Euro 50,000.00 (fifty thousand/00) and up to Euro 250,000.00 (two hundred and fifty thousand/00), - with a joint signature with the director Jacques Chenain over Euro 250,000.00 (two hundred and fifty thousand/00), and up to Euro 500,000.00 (five hundred thousand/00), - with a joint signature with the Chairman of the Board of Directors over Euro 500,000.00 (five hundred thousand/00);

c. purchase of fixed assets (including tools and equipment, but excluding real estate) and the leasing and/or financial leasing of the aforementioned fixed assets, as provided for in the budget approved by the Board of Directors, with no limit on the amount;

d. purchase of fixed assets (including tools and equipment but excluding real estate) and/or leasing and/or financial lease of fixed assets exceeding the approved annual budget, for an amount not exceeding Euro 500.00 (five hundred.00) per fixed asset, it being understood that for higher amounts the joint signature of at least one other director of the Company will be required, as follows: - with joint signature with the CEO, Andrea Rambaldi, over Euro 500.00 (five hundred/00) and up to Euro 10,000.00 (ten thousand/00); - with a joint signature with a director over Euro 10,000.00 (ten thousand/00);

e. purchase of vehicles and/or leasing and/or leasing of vehicles for any amount, which have been approved by the Board of Directors and/or mentioned in the Company's budget and/or provided for in the context of employment contracts with employees;

(ii) authorise payments to the Company's current accounts, with joint signature with the CEO, Andrea Rambaldi, up to 300,000.00 (three hundred thousand/00) per transaction;

(iii) implement the agreement in relation to intra-group Cash Pooling services following written authorisation by the CEO, Andrea Rambaldi, and carry out the related transfers;

(iv) open, close and extinguish all current accounts opened or to be opened, in the name of the Company, with all banks or credit institutions or financial institutions with the joint signature of the CEO, Andrea Rambaldi; carry out ordinary administration operations on the Company's current accounts, obtain all cheque books, rent safe deposit boxes and collect their contents; manage current accounts; all receipts or releases and sign any receipts, payslips, correspondence or documents;

(v) collect all sums owed to the company;

(vi) sign correspondence, receive and collect registered letters, registered or unregistered packages, telegrams, money orders received at the Company's address, give receipts or releases for all sums, money orders, documents or items received;

(vii) receive from any administrative authority the amounts to which the company should be entitled by way of reimbursement or for any reason, and give receipt thereof; More specifically: interfacing and relating with the administrative authority for the management of preliminary and ordinary activities relating to the repayment of the accrued receivable, with particular reference to the correspondence and transmission of the documentation and/or information necessary until the collection of said receivable is achieved.

4.4 CORPORATE CONTROL BODIES

Art. Article 25 of the Articles of Association provides:

"*The Board of Statutory Auditors is composed of three standing members and two alternates.*

The statutory auditors remain in office for three financial years and expire on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office.

The Statutory Auditors and the Chairman of the Board of Statutory Auditors are appointed by the Shareholders' Meeting, which determines the remuneration due to them.

The statutory audit of the company's accounts is carried out by a Statutory Auditor or an auditing firm where required.

If the company is not required to prepare the consolidated financial statements, the statutory audit of the accounts may be carried out by the Board of Statutory Auditors provided that it is entirely made up of Statutory Auditors (Article 2409 bis of the Italian Civil Code).

The appointment of the statutory auditors, after consulting the Board of Statutory Auditors, is conferred for the duration of the office of three financial years by the Ordinary Shareholders' Meeting which will determine the consideration; the appointment expires on the date of the Shareholders' Meeting called to approve the financial statements relating to the last financial year of their office.".

The Board of Statutory Auditors was appointed by resolution of 16/04/2025 with a term of office for three financial years until the approval of the 2027 financial statements. The Board of Statutory Auditors is composed of the following members:

- Crisci Michele (Chairman),
- Chiara Rovoletto (Statutory Auditor),
- Galafassi Giovanni (Statutory Auditor),
- Laborante Ettore (Alternate Auditor),
- Francesca Falciglia (Alternate Auditor).

During the ordinary shareholders' meeting of 29 September 2022, he was appointed as Statutory Auditor, pursuant to art. 2477 of the Italian Civil Code, the company EY S.p.A. (C.F. 00434000584), until the date of the shareholders' meeting called to approve the financial statements for the year ended 31 December 2024. This appointment was renewed until the approval of the 2027 financial statements, as per the shareholders' resolution of 16.04.2025.

It should be noted that this assignment has as its object the following activities:

i. statutory audit of the financial statements for the reference years of Fashionart S.p.A., in compliance with the provisions of art. 2409 bis of the Civil Code and art. 14, c. 1, of Legislative Decree 39/2010;
ii. verification during the year of the regular keeping of the company's accounts and the correct recording of management events in the accounting records, pursuant to art. 14, c. 1, letter b) of Legislative Decree 39/2010;
iii. verification of the consistency of the report on operations with the financial statements provided for by art. 14, c. 2, letter e) of Legislative Decree 39/2010;
iv. activities aimed at signing tax returns based on art. 1, paragraph 5, first sentence, Presidential Decree no. 322 of 22 July 1998, as amended by art. 1, c. 94, law no. 244/2007.

4.5 ORGANIZATION CHART

MEMBERS Chanel International B.V. Andrea Rambaldi	STATUTORY AUDITOR EY S.p.A.
CHAIRMAN OF THE BOARD OF DIRECTORS Bruno André Jean Pavlovsky	CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS Crisci Michele

Currently, the Company has 60% of Chanel International B.V. and 40% of Andrea Rambaldi.

4.6 RELATIONS WITH THIRD PARTY COMPANIES

In 2022, the Company sold 10% of S.R. Real Estate S.r.l. to Andrea Rambaldi: to date, the Company does not hold any shares in third-party companies.

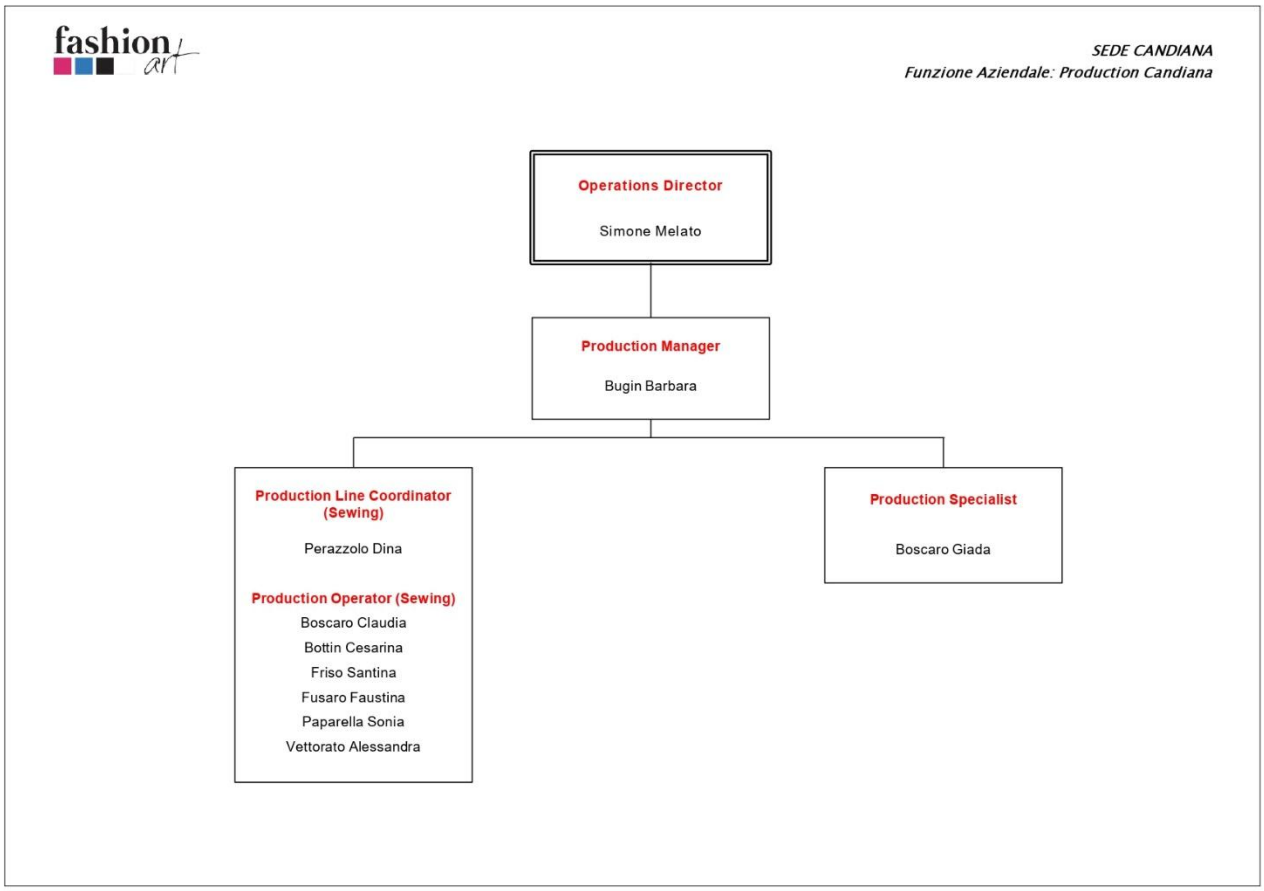
The Company has repaid the loan previously granted to S.R. Real Estate S.r.l.

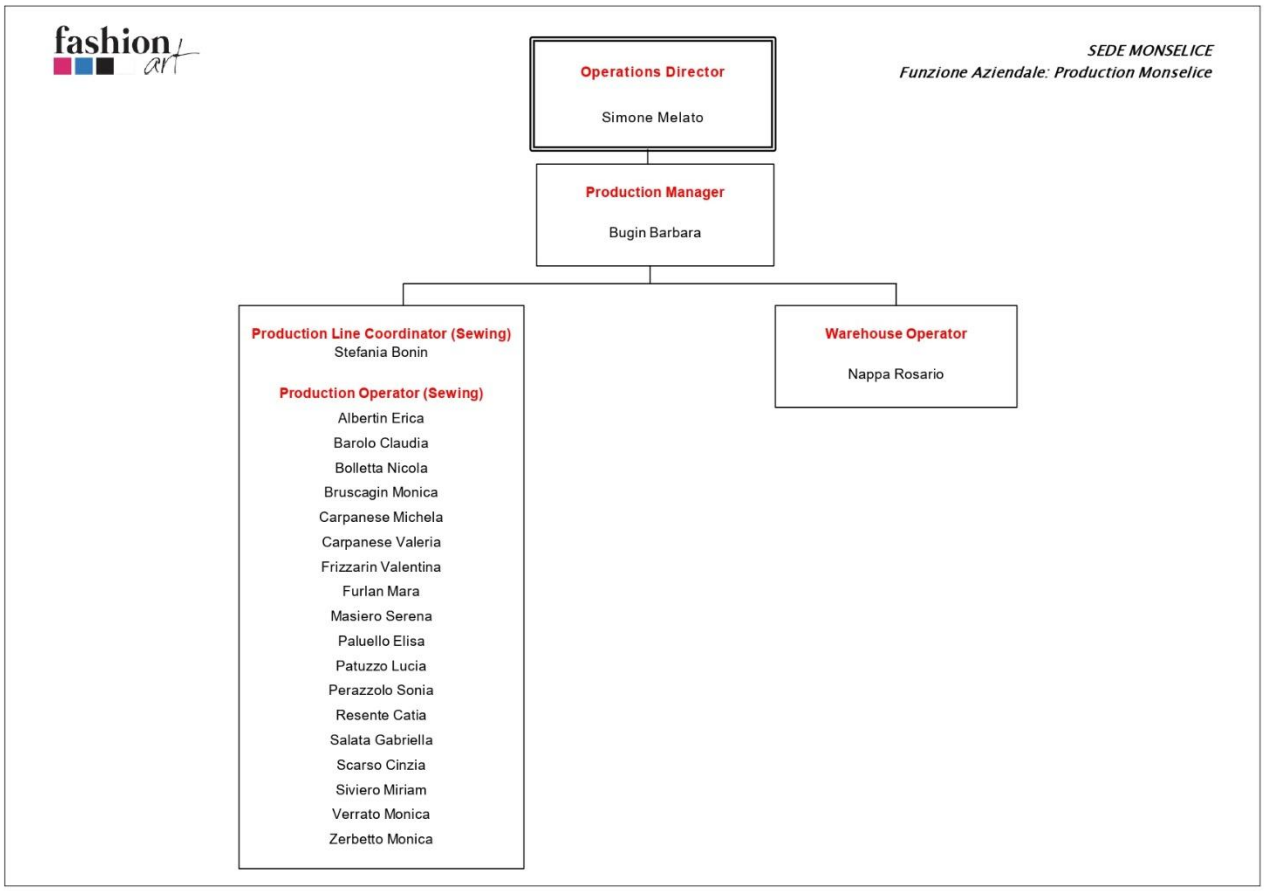
5. Company organization

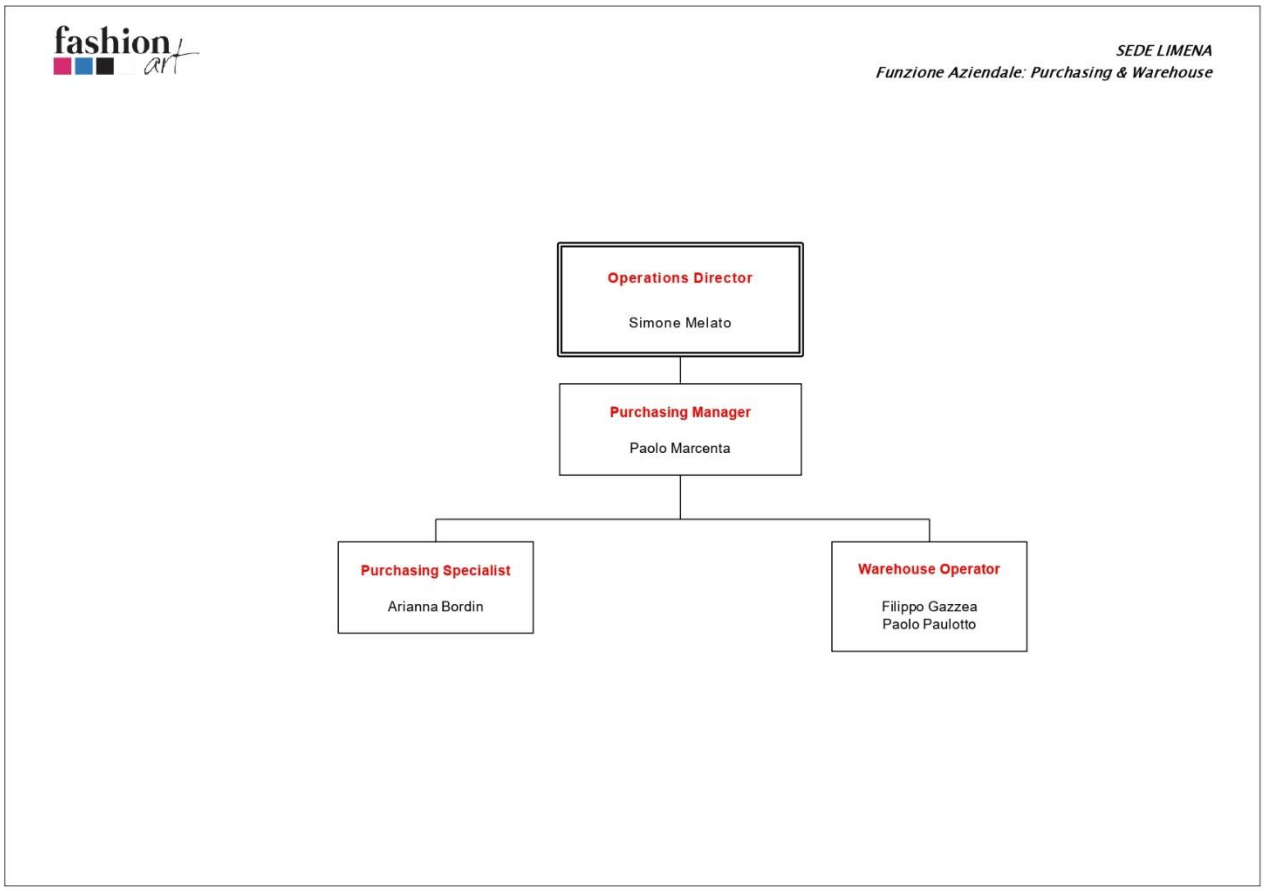
5.1 PERSONNEL EMPLOYED IN THE COMPANY

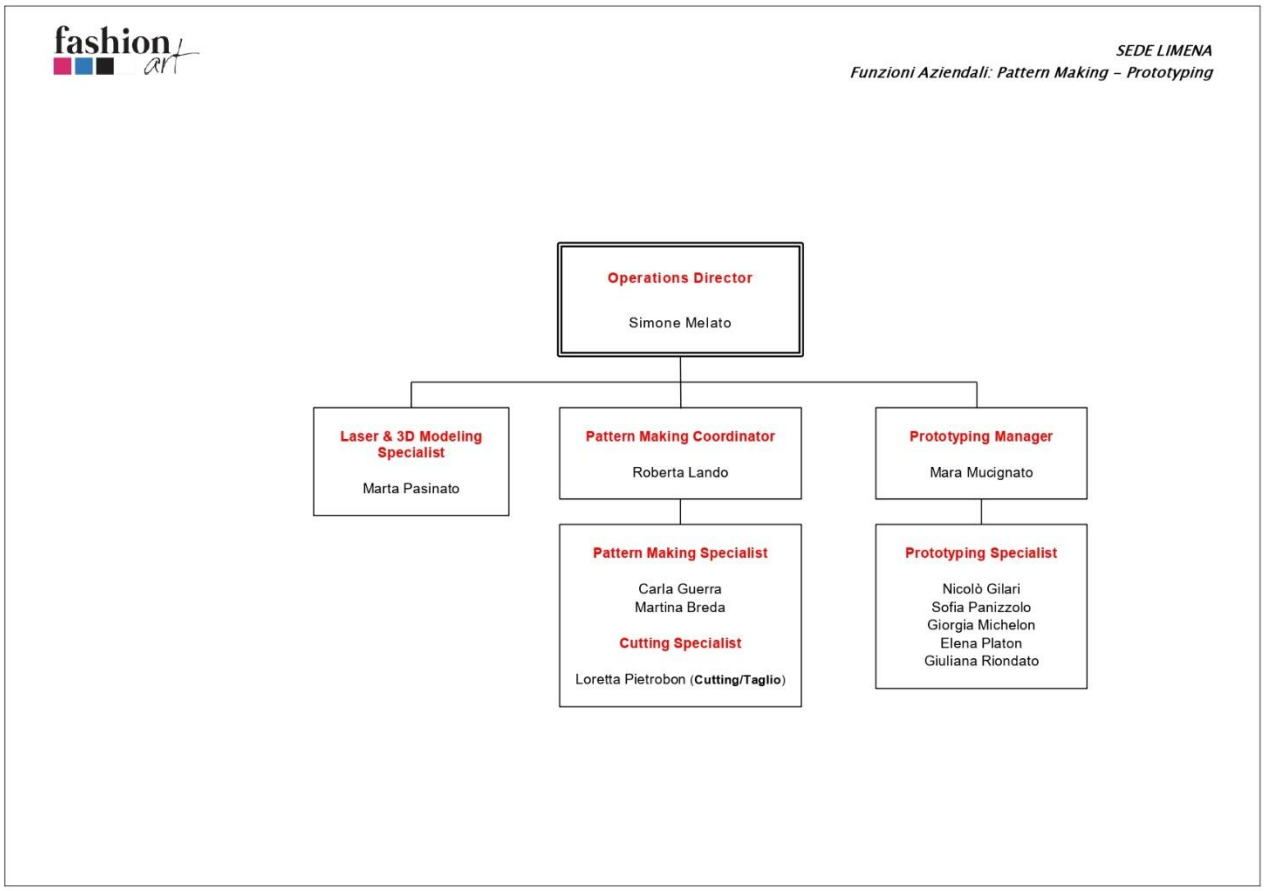
The Company's staff currently has 68 employees as of 30.09.2024.

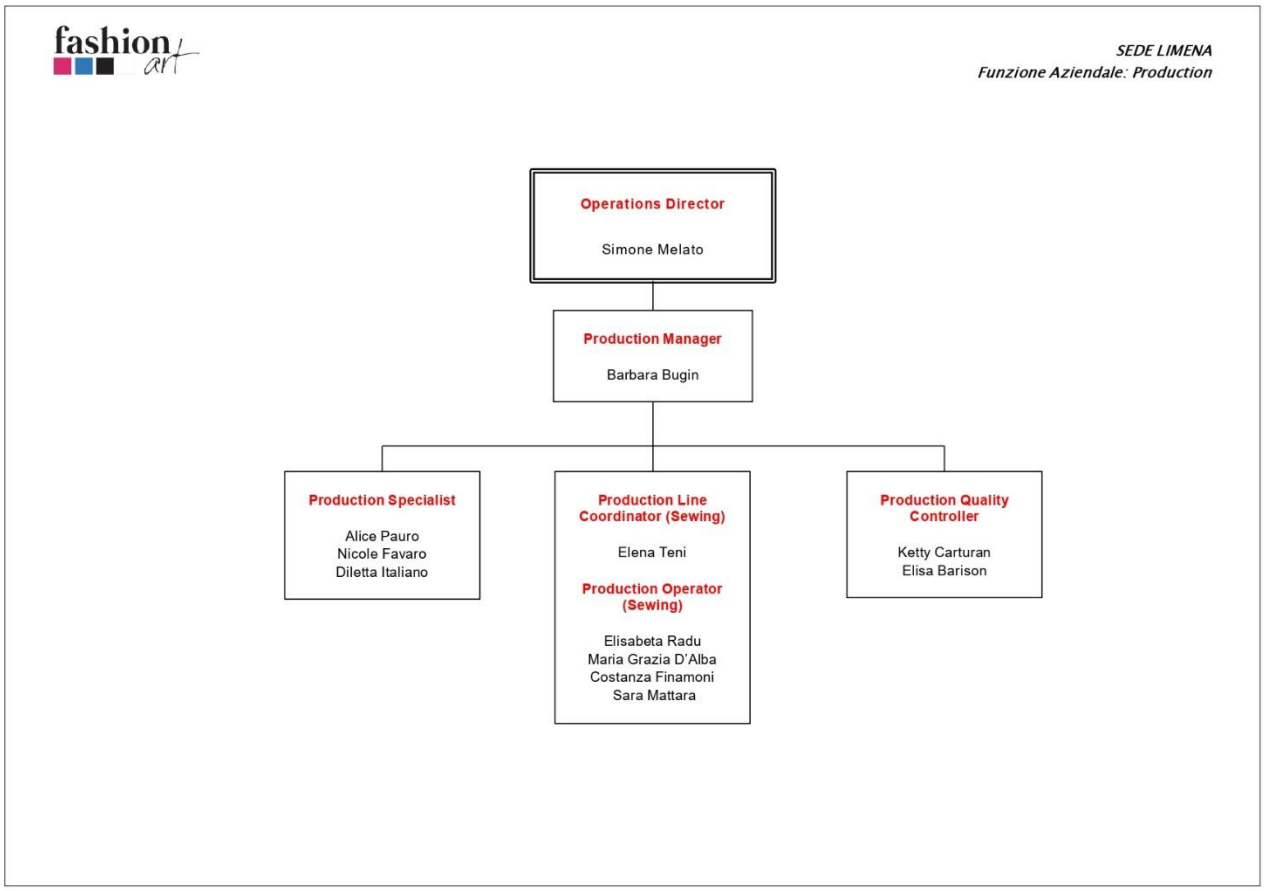
5.2 ORGANIZATION CHART


SEDE CANDIANA
Funzione Aziendale: Production Candiana
Operations Director
Simone Melato
Production Manager
Bugin Barbara
Production Line Coordinator (Sewing)
Perazzolo Dina
Production Operator (Sewing)
Boscaro Claudia
Bottin Cesarina
Friso Santina
Fusaro Faustina
Paparella Sonia
Vettorato Alessandra
Production Specialist
Boscaro Giada

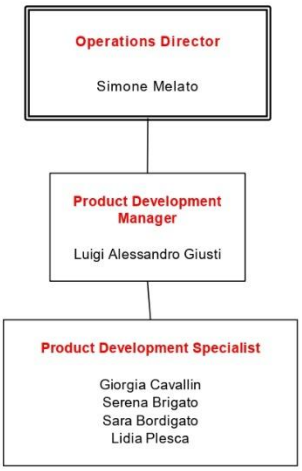

SEDE MONSELICE
Funzione Aziendale: Production Monselice
Operations Director
Simone Melato
Production Manager
Bugin Barbara
Production Line Coordinator (Sewing)
Stefania Bonin
Production Operator (Sewing)
Albertin Erica
Barolo Claudia
Bolletta Nicola
Bruscagin Monica
Carpanese Michela
Carpanese Valeria
Frizzarin Valentina
Furlan Mara
Masiero Serena
Paluello Elisa
Patuzzo Lucia
Perazzolo Sonia
Resente Catia
Salata Gabriella
Scarso Cinzia
Siviero Miriam
Verrato Monica
Zerbetto Monica
Warehouse Operator
Nappa Rosario

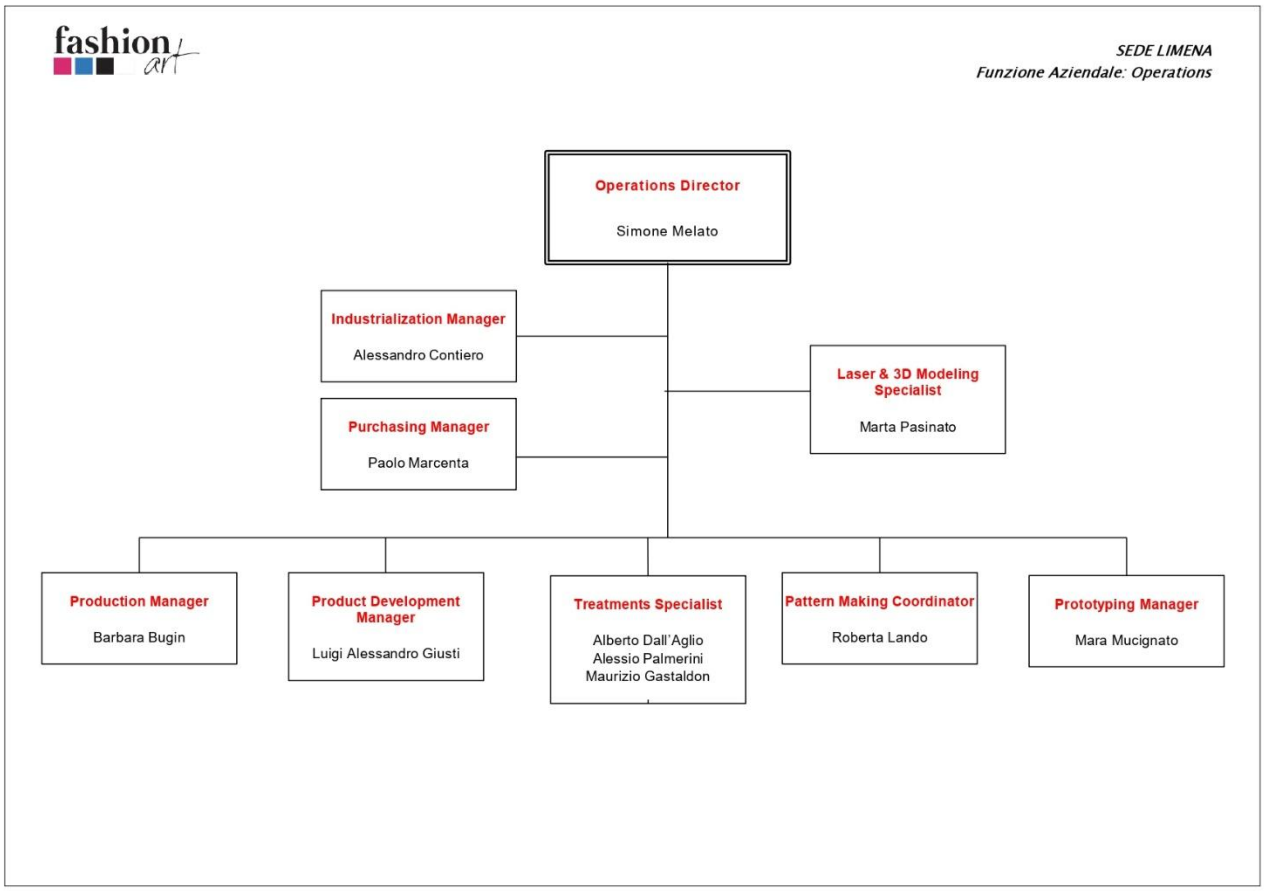

SEDE LIMENA
Funzione Aziendale: Purchasing & Warehouse
Operations Director
Simone Melato
Purchasing Manager
Paolo Marcenta
Purchasing Specialist
Arianna Bordin
Warehouse Operator
Filippo Gazzea
Paolo Paulotto


SEDE LIMENA
Funzioni Aziendali: Pattern Making – Prototyping
Operations Director
Simone Melato
Laser & 3D Modeling Specialist
Marta Pasinato
Pattern Making Coordinator
Roberta Lando
Prototyping Manager
Mara Mucignato
Pattern Making Specialist
Carla Guerra
Martina Breda
Cutting Specialist
Loretta Pietrobon (Cutting/Taglio)
Prototyping Specialist
Nicolò Gilari
Sofia Panizzolo
Giorgia Michelon
Elena Platon
Giuliana Riondato

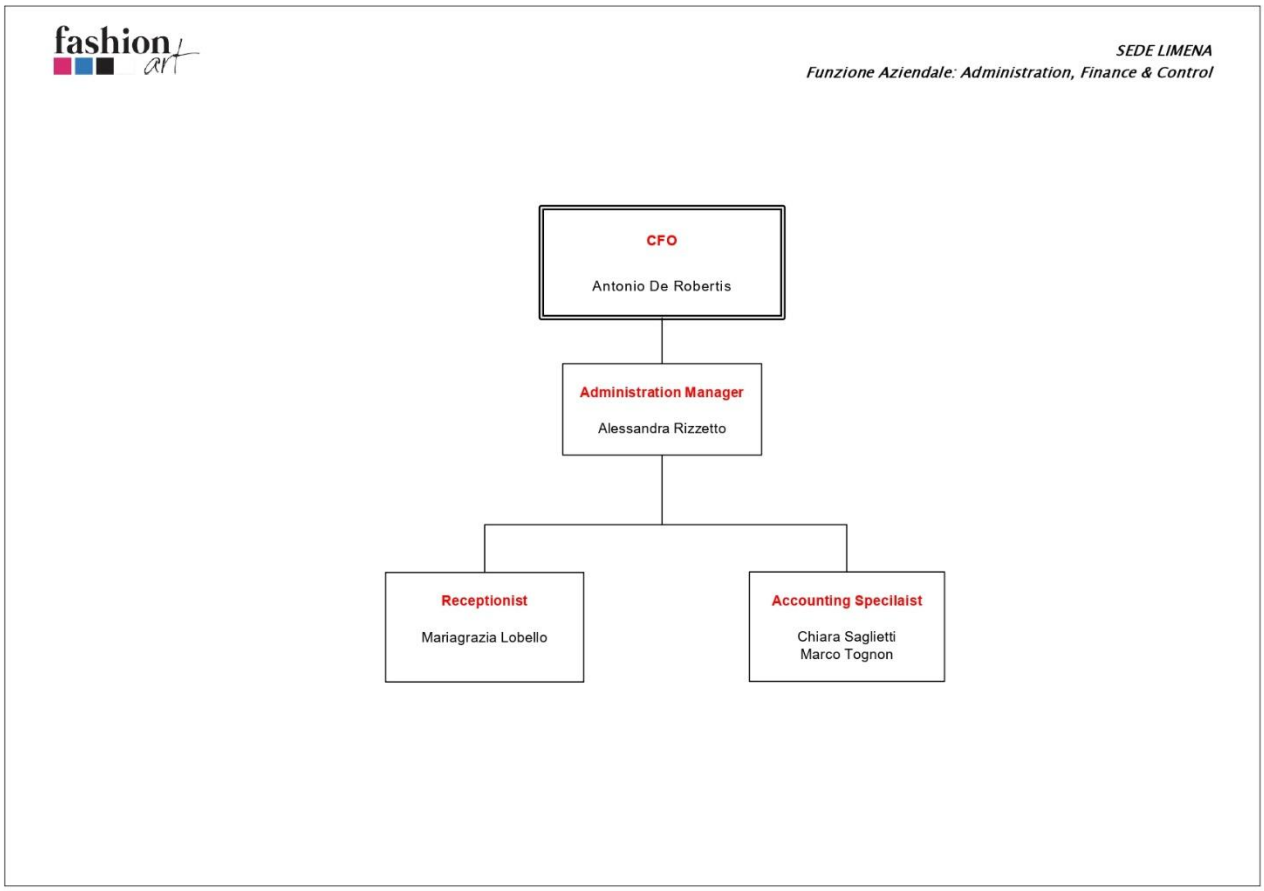

SEDE LIMENA
Funzione Aziendale: Production
Operations Director
Simone Melato
Production Manager
Barbara Bugin
Production Specialist
Alice Pauro
Nicole Favaro
Diletta Italiano
Production Line Coordinator (Sewing)
Elena Teni
Production Operator (Sewing)
Elisabeta Radu
Maria Grazia D'Alba
Costanza Finamoni
Sara Mattara
Production Quality Controller
Ketty Carturan
Elisa Barison

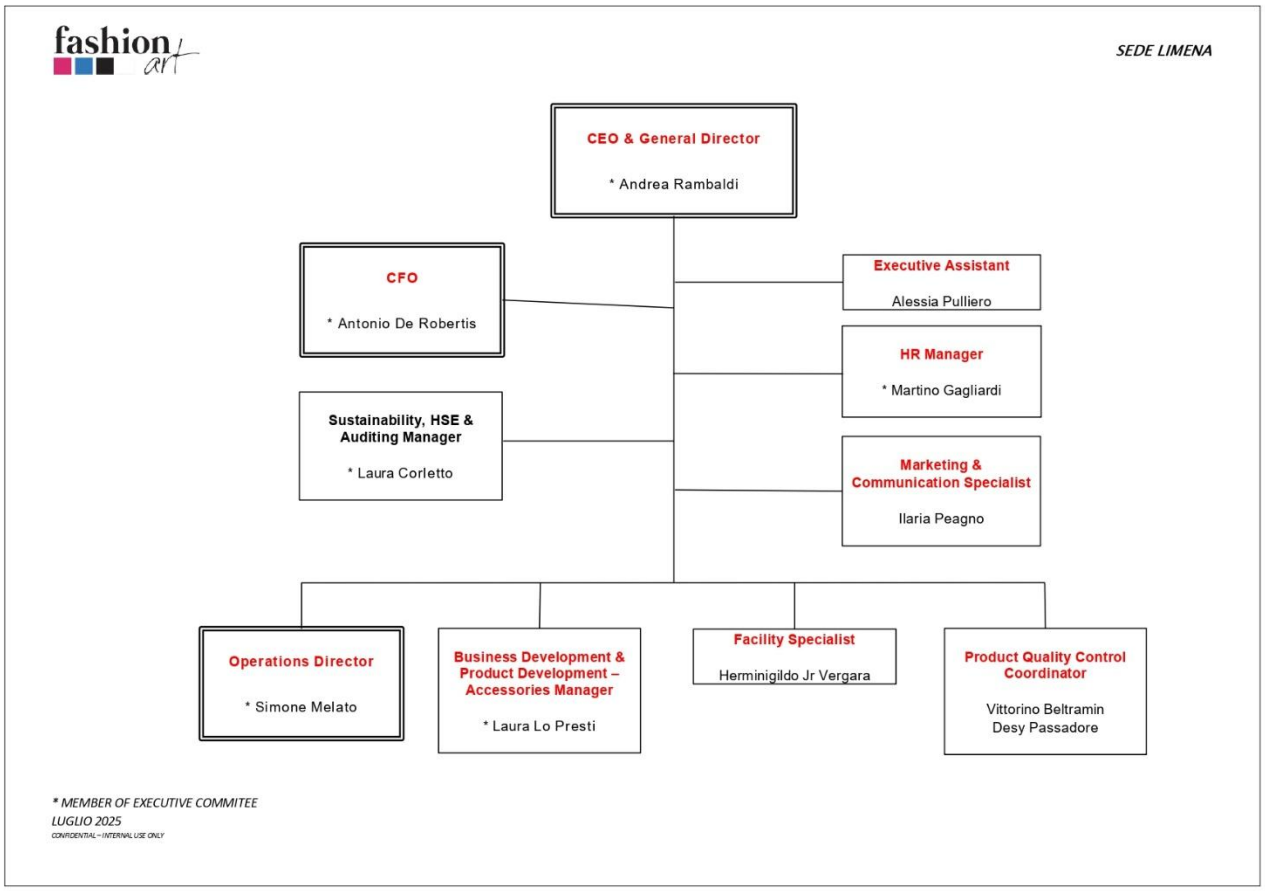
SEDE LIMENA
Funzione Aziendale: Product Development




SEDE LIMENA
Funzione Aziendale: Operations
Operations Director
Simone Melato
Industrialization Manager
Alessandro Contiero
Purchasing Manager
Paolo Marcenta
Laser & 3D Modeling Specialist
Marta Pasinato
Production Manager
Barbara Bugin
Product Development Manager
Luigi Alessandro Giusti
Treatments Specialist
Alberto Dall'Aglio
Alessio Palmerini
Maurizio Gastaldon
Pattern Making Coordinator
Roberta Lando
Prototyping Manager
Mara Mucignato

SEDE LIMENA
Funzione Aziendale: Human Resources


SEDE LIMENA
Funzione Aziendale: Administration, Finance & Control
CFO
Antonio De Robertis
Administration Manager
Alessandra Rizzetto
Receptionist
Mariagrazia Lobello
Accounting Specilaist
Chiara Saglietti
Marco Tognon



For a detailed analysis of the tasks relating to each employee, please refer to the job descriptions prepared and kept by the Personnel Office (annex 04).

6. History of the Company

6.1 History

The company was founded based on an idea byAndrea Rambaldi who, after learning the trade from his parents, started his career collaborating with companies in the textile sector, deepening his knowledge in the chemical field and industrial processes.

After working for the Chanel fashion house, thanks to originality and innovative ideas, this marked a turning point, and in 2008 Fashionart S.r.l. entered the market.

The company specializes in the research and development of new fabrics, in the production of garments, and prototypes of garments for fashion shows to be destined for Italian and foreign companies in the luxury clothing sector including Chanel, Louis Vuitton, Cloè, Burberry and Valentino.

From the idea to the final product, the company supports the customer throughout the production process, thanks also to a team of specialized professionals who translate the designer's sketch into the prototype and, subsequently, into the clothing.

During the emergency situation of 2020, caused by the spread of Sars-CoV-2, which led to a shortage in the Italian market of various basic necessities, including masks, gloves, gowns, etc., the Company decided to actively cope with the crisis, at least partially converting its production. In fact, Fashionart S.r.l., since the beginning of the emergency, has begun to produce gowns, uniforms and other workwear, with the ATECO code 14.12.00. This production will continue even after the end of the emergency itself.

In September 2022, for reasons mainly related to the prospects for future development of the company's business and the planned expansion of the corporate structure, the Company was transformed into a joint-stock company.

Also in September 2022, 60% of the Company's shares were purchased by Chanel International B.V., becoming its majority shareholder.

6.2 Strategic business policy and integrated Model 231

The Management Body certifies that the Company's business policy is aimed at achieving the corporate purpose through transparent and correct management of activities, inspired by and attentive to compliance with all current legal regulations, as well as the fundamental principles of business ethics.

Such a business policy, suitable for guaranteeing an image of seriousness and reliability of the Company on the national and international market, can only be achieved through an active collaboration of all the subjects who operate within it and on its behalf, starting from the top management, up to each employee, worker and external collaborator.

The Management Body therefore intends to provide the Company with an organization capable of establishing a solid "culture" of legality and transparency within its structure, implementing control systems on the compliance of conduct and sanctioning tools to require each subject to comply with the company policy.

The Management Body also intends to disclose its policy, disclosing the fact that the Company condemns any conduct, for any purpose, that may constitute a violation of laws and regulations or in any case that may conflict with the principles of sound, correct and transparent management of the business.

The Management Body also believes that the strategic management of the company cannot be separated from an organization that concretely monitors the risks of the incorrect application of the regulations in force, especially with a view to preventing the risks that may affect the organization of the corporate structure, on the legal management of the various activities aimed at achieving the corporate purpose.

The risk of crime is a factor of serious danger not only because of the unexpected costs, which are often very high, but as a cause of liability for directors, employees and often also for technical-professional collaborators both on an economic-civil level and on the heavier level of criminal liability.

The negative consequences for the company are also known both for joint and several civil liability and for the indirect consequences due to criminal proceedings, seizures and other precautionary measures, which in any case involve damage to the company's image.

The entry into force of Legislative Decree 231/01 then changed the horizon, introducing a new form of liability defined as "administrative" which, although presenting itself with numerous connotations of substance and criminal procedure, in legal reality is a "*tertium genus",* a real direct and autonomous liability of the Company due to the fault of organization. In fact, the latter is liable with its share capital in addition to and regardless of the criminal and/or civil liability of its top management and of the subjects subject to their supervision for the predicate crime that has been attempted or consummated.

In consideration of the regulatory provision, art. 45 of Legislative Decree 231/01, which from the preliminary investigation phase allows the Public Prosecutor to request the Judge for Preliminary Investigations to apply as a precautionary measure one of the disqualification sanctions provided for in art. 9, it is necessary to carefully assess the probability that predicate offences included in Legislative Decree 231/01 may be committed

in the exercise of activities, especially after the entry of culpable offences related to non-compliance with the rules on safety at work Legislative Decree 81/08.

It seems appropriate to provide for the protection of the Company from the repercussions that it could suffer from the application of interdictory precautionary measures in the event of the commission of the predicate crimes, for the serious consequences on the continuation of the business activity, without forgetting the criminal liability of the natural persons who commit the crime.

The Management Body is aware that the adoption of the integrated Model 231 is not a legal obligation for the Company, but a "burden", since the Management Body itself, i.e. the top management who has the powers, is given the right to adopt it and implement it in accordance with the law, in order to be able to draw the many useful effects from it. In fact, the Legislative Decree in the intention of the delegated legislator, as can be seen from the Ministerial Report itself, tends to constitute a "*warning*" addressed to the Company.

The Management Body believes that the Sole Director's duties governed by the Civil Code expressly include that of assessing whether or not to equip the Company with the integrated Model 231 and therefore subsequently to proceed with the formalization and implementation of the Model's prevention protocols.

The Management Body also considers it essential to apply the legislation and implement the Organisation and Management Model integrated with art. 30 of Legislative Decree 81/08, with its continuous implementation program adapted to the current trend and development of the company's activities, providing for the implementation over time of any further additions that may be necessary as a result of new regulatory provisions on the subject or changes in the risks of crime in the company.

The Management Body has considered the Integrated Model 231 to be the best Organisation and Management tool in which to formalise its corporate policy, pursuing the purposes of maximum information and *ad hoc* training for all those who work for the Company and also to take care of relations with external collaborators with a view to a "culture" of legality. The Integrated Model 231 is therefore considered a useful tool for monitoring compliance with this policy, ensuring its effective implementation, also through the provision of sanctions for conduct that does not comply with the protocols for the prevention of predicate crimes that constitutes the objective of the Integrated Model 231.

6.3 Strategic policy on the protection of workers

The Governing Body has decided to integrate Model 231 with aspects, borrowed from the International Conventions on Human Rights, concerning child and child labour, discrimination, intimidation and coercion.

These aspects, although already partly guaranteed by compliance with current regulations, deserve to be formalized in company policies and protocols aimed at ensuring that the work environment is respectful of the principles of ethics, legality, equality and impartiality.

These principles are explained in the Code of Ethics and Conduct adopted by the Company on 21/11/2016.

Since these aspects are not provided for by Legislative Decree no. 231/2001, the company policy and protocols are not preceded by risk analysis and assessment, nor by a decision-making process, given that the Company to date already informs its behavior to what is described in the company policy and in the protocols, as they are the formalization of a consolidated practice.

7. Sources of law

7.1 International sources on corporate criminal liability

- **Brussels Convention 26/7/95** on the protection of the European Community's financial interests
- **Brussels Convention 26/5/97** on the fight against corruption of officials of the European Community or of the Member States
- **OECD Convention of 17/12/97** on the fight against bribery of foreign public officials in economic and international transactions
- **United Nations Convention and Protocols** against Transnational Organized Crime, adopted by the General Assembly on 15/11/2000 and 31/05/2001, ratified by Law No. 146 of 2006
- **United Nations Convention** against Corruption Merida of 2003, ratified by Law No. 116 of 2009.
- **Council of Europe Convention** on Computer Crime drafted in Budapest in November 2006
- **Council of Europe Convention on the** Prevention of Terrorism signed in Warsaw in 2005
- **Foreign Corrupt Practices Act**, (hereinafter "FCPA") of 1997 (as amended in 1988 and 1998)
- **Bribery Act**, an anti-bribery law that applies to UK commercial organisations operating both inside and outside the UK and to non-UK entities and companies carrying out activities, or part of their activities, in the UK.

7.2 National sources of corporate criminal liability

- **Law 300/2000 art. 11**, (Delegation to the Government for the regulation of the administrative liability of legal persons and entities without legal personality)
- **Legislative Decree 231/2001**, Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to Article 11 of Law No. 300 of 29 September 2000 and subsequent amendments and additions
- **Civil Code Book V Title V Chapter IV of the Italian Civil Code**, of the companies
- **Law 409/2001**, Conversion into law, with amendments, of Decree-Law no. 350 of 25 September 2001, containing urgent provisions in view of the introduction of the euro
- **Legislative Decree 61/2002**, Regulation of criminal and administrative offences concerning commercial companies, pursuant to art. 11 of Law no. 366 of 3 October 2001
- **Legislative Decree 6/2003**, Organic reform of the discipline of corporations and cooperative societies, in implementation of Law no. 366 of 3 October 2001
- **Law 7/2003**, Ratification and implementation of the International Convention for the Suppression of the Financing of Terrorism, done in New York on 9 December 1999, and rules for the adaptation of the domestic legal system
- **Law 228/2003**, Measures against trafficking in persons
- **Legislative Decree 310/2004**, Additions and corrections to the discipline of company law and to the consolidated law on banking and credit
- **Law 62/2005**, Provisions for the fulfilment of obligations deriving from Italy's membership of the European Communities, Community Law 2004
- **Law 38/2006**, Provisions on the fight against the sexual exploitation of children and child pornography also via the internet
- **Law 146/2006**, Ratification and Implementation of the United Nations Convention and Protocols against Transnational Organized Crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001
- **Legislative Decree 152/2006 art. 137**, Water protection

- **Legislative Decree 152/2006 art. 256, 258, 259 and 260**, Waste management
- **Legislative Decree 152/2006 art. 257**, Remediation of polluted sites
- **Legislative Decree 152/2006 art. 279**, Air protection
- **L. 549/1993 and subsequent amendments. ii.**, Protection of stratospheric ozone and the environment
- **Legislative Decree 231/2007**, Implementation of Directive 2005/60/EC on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing and of Directive 2006/70/EC on implementing measures
- **Legislative Decree no. 162 of 10 August 2007**, as amended. ii. Implementation of Directives 2004/49/EC and 2004/51/EC on safety and development of the Community's railways.
- **Law 48/2008**, Ratification and implementation of the Council of Europe Convention on Cybercrime, done in Budapest on 23 November 2001, and rules for the adaptation of the domestic legal system
- **Legislative Decree 81/2008 art. 2 lett. dd)**, Definition of "Organization and Management Model"
- **Legislative Decree 81/2008 art. 300**, Amendments to Legislative Decree no. 231 of 8 June 2001
- **Legislative Decree 81/2008 art. 30**, Organization and Management Models
- **Legislative Decree 81/2008 art. 16**, Delegation of functions
- **Law 94/2009**, Provisions on public security
- **Law 99/2009**, Provisions for the development and internationalization of companies as well as in the field of energy
- **Law 116/2009**, Ratification and implementation of the United Nations Convention against Corruption, adopted by the UN General Assembly on 31 October 2003 with resolution no. 58/4, signed by the Italian State on 9 December 2003, as well as internal adaptation rules and amendments to the Criminal Code and the Code of Criminal Procedure
- **Law 121/2011**, Implementation of Directive 2008/99/EC on the protection of the environment through criminal law, as well as Directive 2009/123/EC amending Directive 2005/35/EC on ship-source pollution and the introduction of penalties for infringements
- **Law 183/2011**, Provisions for the preparation of the annual and multi-year budget of the State (Stability Law 2012)
- **Legislative Decree 109/2012**, Implementation of Directive 2009/52/EC introducing minimum standards on sanctions and measures against employers of illegally staying third-country nationals
- **Law 190/2012**, Provisions for the prevention and repression of corruption and illegality in the Public Administration
- **Presidential Decree no. 43 of 27 January 2012**, Regulation implementing Regulation (EC) no. 842/2006 on certain fluorinated greenhouse gases **Law 186/2014**, Provisions on the emergence and repatriation of capital held abroad as well as for the strengthening of the fight against tax evasion. Provisions on self-laundering
- **Law 68/2015**, containing provisions on crimes against the environment
- **Law 69/2015**, Provisions on crimes against the Public Administration, mafia-type associations and false accounting
- **Law 38/2017,** entitled "Implementation of Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector"
- **Law 161/2017**, Amendments to the Code of Anti-Mafia Laws and Prevention Measures, referred to in Legislative Decree No. 159 of 6 September 2011, to the Criminal Code and to the implementation, coordination

and transitional rules of the Code of Criminal Procedure and other provisions. Delegation of the government for the protection of work in seized and confiscated companies

- **Law 167/2017**, Provisions for the fulfilment of the obligations deriving from Italy's membership of the European Union - European Law 2017
- **Law 179/2017**, Provisions for the protection of those who report crimes or irregularities of which they have become aware in the context of a public or private employment relationship
- **Law 3/2019,** Measures to combat crimes against the public administration, as well as on the statute of limitations of the crime and on the transparency of political parties and movements
- **Legislative Decree 135/2018**, Urgent provisions on support and simplification for businesses and public administration", converted with amendments by Law no. 12 of 11 February 2019, Conversion into law, with amendments, of Decree-Law no. 135 of 14 December 2018, containing urgent provisions on support and simplification for businesses and public administration
- **Law 39/2019,** Ratification and Implementation of the Council of Europe Convention on Sports Manipulation
- **Legislative Decree 75/2020**, Implementation of Directive (EU) 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law
- **Legislative Decree 184/2021 -** implementation of Directive (EU) 2019/713 of the European Parliament and of the Council of 17 April 2019 on the fight against fraud and counterfeiting of non-cash means of payment
- **Legislative Decree no. 24 of 10 March 2023** - implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons who report breaches of national legislation so-called "*Whistleblowing*"
- **Law 90/2024** - Provisions on the strengthening of national cybersecurity and computer crimes
- **D.L. 92/2024** - Urgent measures in penitentiary, civil and criminal justice and staff of the Ministry of Justice
- **Law 114/2024** - Amendments to the Criminal Code, the Code of Criminal Procedure, the Judicial System and the Code of Military Order.
- Q**. Legislative Decree 141/2024** - Complementary national provisions to the Union Customs Code and revision of the penalty system on excise duties and other indirect taxes on production and consumption.
- **Law 143/2024** - Conversion into law, with amendments, of Decree-Law No. 113 of 9 August 2024, containing urgent measures of a fiscal nature, extensions of regulatory deadlines and interventions of an economic nature.
- **DECREE-LAW No. 145 of 11 October 2024** - Urgent provisions on the entry into Italy of foreign workers, protection and assistance to victims of illegal hiring, management of migration flows and international protection, as well as related judicial proceedings.
- **Law 166/2024** - Conversion into law, with amendments, of Decree-Law No. 131 of 16 September 2024, containing urgent provisions for the implementation of obligations deriving from acts of the European Union and from infringement and pre-infringement procedures pending against the Italian State
- **D.L. 48/2025** - Urgent provisions on public safety, protection of staff in service, as well as victims of usury and prison regulations.

- **Law No. 82 of 6 June 2025** on "Amendments to the Criminal Code, the Code of Criminal Procedure and other provisions for the integration and harmonisation of the rules on crimes against animals".
- **Confindustria Guidelines** approved on 7 March 2002 and updated in March 2014
- **Sentences and orders of the judiciary published.**