MODEL 231
(includes the Code of Ethics)

Updated on 18 December 2023

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CHAPTER 1
MODEL 231

1.1. Saipem S.p.A.

Saipem S.p.A. is a leading global contractor with a significant local presence in strategic emerging areas such as Africa, Central Asia, America, the Middle East and South East Asia. Saipem operates in more than 70 countries around the world through its network of approximately 30,000 employees, including a large number of resources from developing countries.
Saipem enjoys a competitive edge for providing EPCI (*Engineering, Procurement, Construction and Installation*) and EPC (*Engineering, Procurement and Construction*) services to the Oil & Gas industry, both onshore and offshore, with a special focus on complex and technologically-advanced projects, including activities in remote areas, in deep waters and on projects involving the exploitation of gas or crude oil supplies in challenging environments. The drilling services offered by the Company stand out in many of the most critical areas of the oil industry, often thanks to synergies between onshore and offshore activities.

Saipem has been listed on the *Milan Stock Exchange* (currently Euronext Milan) since 1984.

Saipem undertakes to maintain and strengthen a governance system in line with international best practice standards, able to deal with the complex situations in which Saipem operates, and with the challenges it faces for sustainable development. To Saipem, sustainability means working with the awareness of the responsibility it has towards all its stakeholders. Guaranteeing collaborative relationships with each stakeholder, based on fairness, is essential to the success of the projects that the Company is involved in. Saipem's sustainability model guides all business processes. It is oriented towards excellence and the achievement of long-term objectives to prevent, reduce and any manage possible risks.

Saipem's organisational structure is based on the traditional administration and control model with a Board of Directors, composed of nine members, which is responsible for deciding the strategic policies for the Company and how to implement them.
To this end, the organizational structure assumed by Saipem SpA starting from January 14, 2022, and subsequently, from February 1, 2023, modified by the introduction of a new Business Line as part of a redefinition program of the industrial and organizational structure includes:

- five Business Lines - *Asset Based Services, Energy Carriers, Robotics and Industrialized Solutions, Sustainable Infrastructures, Offshore Wind* - each with different dynamics, objectives and skills for the technical and economic development of offers and the management of projects acquired in the assigned business sector;
- a central Commercial function to guide the evolution of order intake and dialogue with customers from a "One Saipem" perspective, while ensuring optimized

management of regional and local structures on a global scale;
- central functions for the management of staff activities and business support, responsible for meeting the needs of the Company and the Business Lines;
- a network of operating companies and branches located in the different countries in which Saipem operates, which ensure the development of their commercial and operational activities in the relevant national and international markets.

Saipem's ability to develop projects in critical or remote areas is guaranteed precisely by the effective coordination between the activities carried out by the operating companies and branches present in the various countries the Business Lines, the Commercial function and the staff and business support functions of Saipem SpA, by the logistic support ensured all over the world and by the consolidated ability to manage locally all the difficulties that can arise in these areas, thanks also to more than 60 years of presence in the sector.

Within the Company, the supervisory activities are entrusted to the Board of Statutory Auditors composed of three statutory auditors and two alternates, and those of legal auditing to the auditing company registered in the special register held by Consob.

The Shareholders' Meeting manifests the will of and binds the Shareholders, through resolutions adopted in compliance with the law and the Company's Articles of Association. The Shareholders' Meeting appoints the Board of Directors for a maximum term of three years. The Board of Directors shall appoint the Chairman, if the Shareholders' Meeting has not done so. Company representation before third parties and the courts is the responsibility of the Chairman of the Board of Directors, or Directors vested with the powers.

The Board of Directors has set up the following internal committees:
- The Audit and Risk Committee is composed of three non-executive directors, the majority of whom are independent, one of these latter appointed as the Chairman. Having been assigned consulting and advisory functions, the Audit and Risk Committee is responsible for supporting the assessment and decisions of the Board of Directors in relation to the internal control and risk management system, as well as those regarding the approval of the periodic reports of a financial and non-financial nature.
- The Related Parties Committee is composed of three independent directors, one of whom acting as Chairman. The Related Parties Committee, established in accordance with article 4 of Consob Regulation on Related Parties' Transactions (Consob Resolution no. 17221 of 12 March 2010 and subsequent amendments) and with the Management System Guideline (MSG) "Transactions with Related Parties and Parties of Interest", performs the functions set forth by the current legislation on related parties' transactions and by the aforementioned MSG.
- The Compensation and Nomination Committee is made up of three non-executive directors, the majority of whom are independent and one of these latter appointed as the Chairman. The Compensation and Nomination Committee has the function to advise and make proposals to the Board of Directors on policies for the

remuneration of directors and senior managers with strategic responsibilities.

- The Sustainability, Scenarios and Governance Committee (composed of a minimum of three directors up to a maximum of four directors, one of whom is appointed as the Chairman) is responsible for assisting the Board of Directors by fulfilling a preparatory, consultative and advisory role in assessments and decision-making processes with regard to sustainability issues, also understood as environmental, social and governance issues, related to Saipem business and its engagement with all stakeholders, the Corporate Governance of the Company and the Group, Saipem's Corporate Social Responsibility and the review of scenarios envisaged in the preparation of the *Strategic Plan,* based also on the analysis of significant issues for the creation of long-term value.

Saipem operates within the reference framework of the *United Nations Universal Declaration of Human Rights*, the *Fundamental Conventions of the ILO – International Labour Organisation –* and the *OECD Guidelines on Multinational Enterprises*.
The company rejects any form of discrimination, corruption, forced or child labour.
In particular, Saipem pays attention to the recognition and safeguarding of the dignity, freedom and equality of human beings, the protection of labor and trade union freedom, the protection of health, safety, the environment and biodiversity, as well as values and principles relating to transparency, energy efficiency and sustainable development, in accordance with international organizations and conventions.
Respect for human rights is the foundation of inclusive growth of societies and geographical areas and, consequently, of the companies that work within them. Saipem contributes to the creation of the socio-economic conditions required for the effective enjoyment of fundamental rights and promotes the professional growth and well-being of its of its local people. In 2017, as part of Saipem's commitment to promoting human and workers' rights in its activities, the Company published its first Human Rights Policy.

Saipem is committed to promoting and maintaining a suitable *Internal Control System and Risk Management* which is the set of company tools, organisational structures. rules and regulations to ensure the safeguarding of company assets, the efficiency and effectiveness of company processes, the reliability of financial reporting, and compliance with laws and regulations, as well as with the Company's Articles of Association and internal regulatory documents. The structure of Saipem's *Internal Control System*, which is an integral part of the Company's organisational and management model, involves, with different specific roles, the Company's governance and corporate control bodies, the Compliance Committees, Company management and all its personnel. It is based on the principles contained in the *Code of Ethics* and the *Corporate Governance Code*, as taking into account the applicable legislation, the "*CoSO Report*" and national and international best practices.
The main industrial risks identified, monitored and, as specified below, actively managed are the following: - the health, safety and environmental (HSE) risk deriving from the possibility of accidents, malfunctions, breakdowns, that could harm people and damage the environment and with repercussions on economic-financial results; - country risk in operating activities, - the operational risk related to the development of projects, mainly related to engineering and construction contracts in the execution phase.

1.1.1 Health, Safety and Environment

The safety of all the people involved in Saipem's operations is a priority objective that is constantly monitored and guaranteed in the management of the Company's activities through an integrated HSE management system.
Furthermore, Saipem is firmly committed to achieving performance levels as a leader in the protection of Health, Safety and the Environment (HSE).
Saipem recognises the importance of HSE aspects in all its activities, at all levels, during all phases of projects and services, in countries in which it operates. This is why HSE key performance indicators are set and monitored, and challenging objectives periodically identified and reviewed in order to achieve continuous improvements.
Without prejudice to its commitment to comply with applicable legislation, guidelines and standards required by international organisations (such as *IMO, ISO* and *OHSAS*), Saipem pursues specific objectives to reach its own "*Health & Safety Vision*" and to ensure proper management of environmental issues.
These specific objectives include:

- continuously promoting the culture for environmental protection and safeguarding of workplace health and safety;
- ensuring thorough identification and assessment of all HSE risks and ensuring prompt and appropriate mitigation and control measures in all operations, including those executed by vendors, subcontractors and JV partners;
- adopting of HSE criteria in the selection and evaluation of subcontractors and vendors.
- protecting the health and safety of all personnel and people who could be affected by the Company's activity, by taking account the activities planned and executed and the specific critical factors associated with the places in which Saipem S.p.A. operates;
- conducting HSE due diligences during mergers and acquisitions, aimed at identifying existing and potential HSE impacts associated with any previous building, infrastructure, historical activity and current practice, including potential liabilities associated with pre-existing pollution;
- the prevention of pollution and potential environmental damage caused by company activities;
- efficiency use of energy and natural resources.

Saipem undertakes to achieve these objectives by:

- ensuring the availability of appropriate human, and financial resources;
- constantly enhancing focus and awareness on environmental, health and safety issues through the programme "*Leadership in Health and Safety*" campaign;
- reiterating the responsibility and the right of anyone to call a halt to activities that could potentially compromise health and safety conditions, and actively supporting those who intervene to stop such actions and operations;
- reiterating the importance of the "*life-saving rules*" and ensuring *zero-tolerance* towards any deviation.

The organizational configuration and the articulation of the company structure (which

includes different business profiles and different risk profiles), provides for central staff functions and the presence of 5 Business Lines.
Each Business Line is responsible for the executive management of the assigned business and is endowed with broad powers of organization, management and control and its own tendering, engineering, technological, construction / operations and project and contract management skills in the executive phase, for the following activities:

- formulation of offers, in the broader project acquisition process;
- direction and execution of the projects acquired.

In line with the choices made in the past by the Company and due to the considerable organizational complexity, the identification of different production units is confirmed.
Therefore, also in relation to the principle that the proximity to the sources of risk and the subdivision within the Company of the duties and roles prescribed by the applicable legislation can better guarantee a careful and timely assessment of the risks associated with the work and therefore prepare the appropriate protective measures to prevent them, with the resolutions dated January 13, 2022 and May 26, 2023, the Board of Directors, in line with the current organisation, has conferred the role of Employer HSSE (Health, Safety, Security and Environment) Regulation Compliance Manager, pursuant to and for the purposes of Legislative Decree No. 81/08 and current applicable legislation, under all management and guarantee aspects for the safeguarding of health, safety, the environment, public safety and security:

- to the Business Lines Managers of each of the five Business Lines *(Asset Based Services, Energy Carriers, Robotics and Industrialized Solutions e Sustainable Infrastructures, Offshore Wind*) for the personnel pertaining to each Business Line and for the personnel of the Corporate staff structures when assigned to the operating sites and / or construction sites of responsibility Business Line; and
- to the *Chief People, HSEQ and Sustainability Officer* for the personnel of the Corporate staff structures (i.e. for the personnel not belonging to each Business Line) with the exception of the personnel of the Corporate staff structures when assigned to the operating sites and / or construction sites in the responsibility of the Business Line.

Employers have been given all powers and duties necessary to put in place, without spending limits and with maximum management autonomy, all the actions and fulfilment of legislative requirements that may be necessary to ensure that the activity under their remit is carried out in accordance with the regulations in force regarding health, safety, the environment and public safety and security.

1.2 Introduction to Legislative Decree 231/2001

Pursuant to Italian legal provisions on “administrative responsibility of legal entities, companies and associations with or without legal status” set forth in Legislative Decree No. 231, dated 8 June 2001 (hereinafter, **“Legislative Decree No. 231/2001**”), legal entities may be deemed liable, and therefore subject to monetary sanctions and/or

disqualifications[1], for the offences explicitly listed in said Legislative Decree No. 231/2001, perpetrated in their interest or advantage by:

- representatives, directors or managers of the company or one of its organisational units with financial and functional independence, or by those who are responsible - also *de facto* - for managing or controlling the company (individuals in top-level positions or "top-level management");
- those who are managed or supervised by an individual in a top-level position (individuals subject to the direction of others).

In particular, the Legislative Decree No. 231/2001, provides that the adoption and effective implementation by companies of organisation, management and control models suited to prevent the offences of the type of the crime occurred excepts them from administrative liability.

The fundamental principles for organisation, management and control models may be found in the guidelines for drawing up Models pursuant to Legislative Decree No. 231/2001 issued by *Confindustria* (hereinafter, "**Guidelines**").

1.3 Offences pursuant to Legislative Decree No. 231/2001

Pursuant to Legislative Decree No. 231/2001, the offences that may result in the administrative liability of companies are only those explicitly indicated by the law, corresponding to the following categories of offences:

(i) offences against the Public Administration (Art. 24 and 25);
(ii) computer crimes and unlawful data processing (Art. 24-bis);
(iii) organised crime (Art. 24-ter);
(iv) money forgery, public credit cards, revenue stamps and identification instruments or signs of recognition (Art. 25-bis);
(v) crimes against industry and trading (Art. 25-bis.1);
(vi) corporate crimes (Art. 25-Ter);
(vii) crimes of terrorism or subversion of democratic order (Art. 25-quater);
(viii) offences involving practices of female genital mutilation (Art. 25-quater.1);
(ix) offences against the person (Art. 25-quinquies);
(x) market abuse (Art. 25-sexies);
(xi) manslaughter or serious or life-threatening injuries, resulting from violations of the regulations on health and safety in the workplace (Art. 25-septies);
(xii) receiving, laundering and using money, goods or benefits of illicit origin, as well as self-laundering (Art. 25-octies);
(xiii) crimes related to payment instruments other than cash and fraudulent transfer of values (Art. 25-octies.1);

[1] Legislative Decree No. 231/2001 specifies the following types of disciplinary measures: (i) financial penalties; (ii) disqualifications; (iii) seizure of the proceeds or profits of the crime; and (iv) publication of sentence.

(xiv) crimes related to violation of copyright (Art. 25-novies);
(xv) inducement to withhold statements or to make false statements to judicial authorities (Art. 25-decies);
(xvi) environmental offences (Art. 25-undecies);
(xvii) crime related to the employment of illegally staying third-country nationals (Art. 25-duodecies);
(xviii) cross-border offences, introduced by Law 16 No. 146, March 2006, "Ratification and implementation of the Convention and Protocols of the United Nations against cross-border organised crime";
(xix) racism and xenophobia crimes (Art. 25-*terdecies*);
(xx) crimes of fraud in sports competitions, illegal gambling or betting by means of prohibited equipment (Article 25-quaterdecies);
(xxi) tax offences (Art. 25-quinquiesdecies);
(xxii) smuggling crimes (art. 25-sexiesdecies);
(xxiii) crimes against cultural heritage (art.25-septiesdecies)
(xxiv) laundering of cultural assets and devastation and looting of cultural and landscape assets (art.25-duodevicies).

Annex 1 to this Model 231 lists the offences resulting in administrative liability of legal entities pursuant to Legislative Decree No. 231/2001, together with a short description of the crimes.

1.4. The Organisation, Management and Control Model of Saipem SpA

At its meeting on 22 March 2004, the Board of Directors of Saipem SpA resolved the adoption of an organisation, management and control model pursuant to Legislative Decree No. 231/2001 (hereinafter, "**Model 231**"), aimed at preventing the offences specified by Legislative Decree No. 231/2001.

Later, through specific projects, Model 231 was updated to reflect changes in the legislation and in the company organisation of Saipem SpA (hereinafter, also "**Company**").

In particular, subsequent updates of Model 231 have taken into account the following:

- changes in Saipem SpA's company organisation;
- trends in case law and legal theory;
- observations related to the application of Model 231, including any experience from criminal proceedings;
- practices of Italian and foreign companies with regard to these models;
- the results of supervision activities and the findings of internal audit activities;
- changes in legislation, with particular reference to the Legislative Decree 231/2001, the developments concerning investor protection and the principles stated by the provisions of the Foreign Corrupt Practices Act and the UK Bribery Act;
- changes in the Guidelines.

Model 231 of Saipem SpA is divided into the following chapters:

- "Model 231" (chapter 1), which provides a summary description of the reference legal framework, the identification of the addressees of Model 231 and the definition of the principles for the adoption of organisation, management and control models by the companies directly or indirectly controlled by Saipem SpA (hereinafter, "**Subsidiaries**");
- "Risk assessment methodology" (chapter 2), describing the methodology used to carry out the mapping of the risks and the assessment of the control systems;
- "Compliance Committee" (chapter 3), with the establishment and assignment of functions and powers, as well as the definition of information flows to and from it;
- "Communication and training" (chapter 4), specifying the principles adopted for the communication of Model 231 to personnel and the market, including the adoption of contractual clauses in relations with third parties, and for personnel training;
- "Disciplinary system" (chapter 5), specifying the sanctions imposed in the case of violation of Model 231;
- "Control systems" (chapter 6), specifying the structure of the control systems;
- "Rules for updating Model 231" (chapter 7), providing for a program to implement updates in the case of legislative changes, significant changes in the organisational structure or business sectors of the Company, significant violations of Model 231 and/or assessments of its effectiveness, or industry experience in the public domain;
- "Saipem Code of Ethics" (chapter 8), specifying the rights, duties and responsibilities towards the addressees of Model 231 (hereinafter, "**Code of Ethics**").

The Code of Ethics is an integral and substantial part of Model 231.

The document "Special Section of Model 231 - Sensitive Activities and specific Control Standards" identifies for each company process[2] the activities believed by the Company to be at risk of the offences specified by Legislative Decree No. 231/2001 (hereinafter, "**Sensitive Activities**") and the relevant controls aimed at preventing such offences. This document is communicated by the Chief Executive Officer of Saipem SpA to the competent functions of Saipem SpA, which provide for the issuance of the regulatory documents[3] that shall contain the control tools for the implementation of Model 231.

Model 231 is approved by resolution of the Board of Directors, subject to the opinion of the Audit and Risk Committee and the Board of Statutory Auditors.

[2] As identified in the document "Saipem Regulatory Maps Form".
[3] "Regulatory documents" are documents that regulate policies, processes and specific issues/aspects of company interest, with the objective of ensuring uniformity of conduct, as well as pursuing compliance objectives, describing tasks and/or responsibilities of the organisation structures involved in the regulated processes, the management and control procedures and the information flows.

The Chief Executive Officer is in charge of implementing and updating Model 231, by virtue of the powers received and as set forth in Chapter 7.

1.5 Addressees of Model 231

The principles and contents of Model 231 are addressed to the members of company bodies, management and employees of Saipem SpA as well as to all who work in Italy and abroad for the achievement of Saipem SpA's objectives (hereinafter, "**Addressees**").

The principles and contents of Model 231 are widely disseminated, both inside and outside of Saipem SpA.

The Compliance Committee of Saipem SpA monitors the initiatives aimed at promoting communication and training on Model 231.

1.6 The organisation, management and control model of Subsidiaries and affiliated companies, consortia and joint ventures

1.6.1 The organisation, management and control model of Subsidiaries

Saipem SpA encourages the adoption and the effective implementation of organisation, management and control models by all Subsidiaries.

Notably, the Chief Executive Officer of Saipem SpA promotes, through specific and timely notifications, the dissemination among the Subsidiaries of instruments aimed at preventing offences, which: *(i)* with regards to Italian Subsidiaries, shall be in line with the Legislative Decree No. 231/2001, and with the relevant consolidated best practices, as well as with the principles laid out in Model 231 of Saipem SpA; (ii) with regards to foreign Subsidiaries, shall be in compliance with the local applicable laws, shall be suited to the peculiarities of activities and business of the single legal entity and, in any case, shall take into account the minimum control standards[4] identified by Saipem SpA and the provisions established in the Code of Ethics.

To this purpose, the Chief Executive Officer of Saipem SpA communicates Model 231 and its updates to the Subsidiaries, also through the support of the competent Compliance function.

The Subsidiaries provide Saipem SpA with a copy of their organisation, management and control model and updates thereof. According to the provisions of the respective models, the Subsidiaries appoint an independent compliance committee or another equivalent body having the task to monitor the implementation and update of the model.

[4] The "minimum control standards" are identified as the control systems aimed at preventing the risk of the offences specified by Legislative Decree No. 231/2001, provided in the document "Special Section of Model 231 - Sensitive Activities and specific Control Standards".

Any corrective action in their organisation, management and control models falls in the exclusive area of competence of the Subsidiaries, which also take action when receiving recommendations from their compliance committees or other equivalent bodies appointed with the task to supervise the implementation and update of the model (for example, the Compliance Committee).

1.6.2 The organisation, management and control model of affiliated companies, consortia and joint ventures

The representatives designated by Saipem SpA for the purpose of their appointment in the company bodies of the legal entities in which the Company does not hold a controlling stake, in consortia and in joint ventures, promote according to the type of entity (for example by submitting a proposal in a new entity's Board of Directors, the adoption of common procedures, etc.) - within the limits of the rights assigned to Saipem SpA - the principles and the contents of Model 231 (including the Code of Ethics)[5].

[5] The "Joint Venture Agreements - Prevention of Illegal Activities" procedure of Saipem SpA sets out the principles and the regulations that must be followed by the Company and its Subsidiaries in the negotiation, conclusion and execution of joint venture agreements. In particular, the following activities are regulated: (i) selection of partner of established reputation in terms of honesty and fairness of business practices; (ii) negotiation and management of joint venture agreements according to criteria of diligence, transparency, fairness and in compliance with applicable laws; (iii) adoption of suitable control systems after the establishment of the joint venture.

CHAPTER 2
RISK ANALYSIS METHODOLOGY

2.1 Risk assessment and internal control system

The identification of the company areas where there is a risk of an offence is carried out through an accurate analysis of Saipem SpA's company processes, identifying the offences set out in the Legislative Decree no. 231 of 2001, as well as their primary means of commission, which are potentially applicable and relevant to the Company.

In particular, for each company process deemed at risk:

(i) Sensitive Activities are identified, that are those activities which, as part of business processes, are exposed to the risk of committing the offenses provided for by Legislative Decree no. 231 of 2001, assessed as abstractly relevant to the Company;;
(ii) control systems aimed at preventing the perpetration of the offences are defined (hereinafter, "**Control Standards**");
(iii) company contact persons involved in the process who, with regard to Sensitive Activities, have information relevant to the assessment of the internal control system of the Company, are identified. A comparative assessment of the current control system and the controls established in the Control Standards is then carried out with the identified company contact persons, it is recorded in appropriate risk assessment documents organised according to a logical process;
(iv) if necessary, an action plan is defined in order to align the internal control system to the control systems established by the Control Standards.

According to the document issued by the Committee of Sponsoring Organizations (CoSO) with the title Internal Control-Integrated Framework (CoSoIC-IF)[6], the internal control system may be defined as a set of mechanisms, procedures and instruments identified by the management to ensure the achievement of the objectives of effectiveness and efficiency of the company activities, reliability of information of financial and other nature, compliance with laws and regulations and safeguarding of company assets.

According to the CoSO Report, Internal Control – Integrated Framework, the components of the internal control system are:

Control environment:
It reflects the conducts and actions of "Top Management" with respect to internal control system applied in the organisation.

The control environment includes the following elements:

[6] Committee of Sponsoring Organizations of the Treadway Commission (1992), internal control - integrated framework, AICPA, www.coso.org, updated in May 2013.

- integrity and ethical values;
- management philosophy and style;
- organisational structure;
- assignment of powers and responsibilities;
- personnel policies and practices;
- personnel skills.

Risk Assessment:
Definition of processes aimed at identifying and managing the most relevant risks that may prevent the achievement of company objectives.

Information and Communication:
Definition of an information system (IT system, reporting flow, system of process/activity indicators) enabling both senior management, middle manager, white and blue collar workers to perform the tasks assigned.

Control Activity:
Definition of company regulations ensuring organised management of risks and company processes, and making it possible to achieve the company objectives.

Monitoring:
The process of assessing the quality and results of the internal controls over time.

These components of the internal control system are taken into consideration for the assessment of the risk of committing the offences provided for by Legislative Decree No. 231/2001.

The objective of the assessment is to ensure an effective and up-to-date system to identify Sensitive Activities and Control Standards.

CHAPTER 3
COMPLIANCE COMMITTEE

3.1. Compliance Committee of Saipem SpA

3.1.1. Collegiality

The Compliance Committee of Saipem SpA (hereinafter, the "Compliance Committee") defines and carries out its activities on a collegial basis and has been given "independent powers of initiatives and control", pursuant to Art. 6, Par. 1, letter b) of the Legislative Decree No. 231/2001. The Compliance Committee regulates its activities through specific regulations.

The autonomy and independence of the Compliance Committee are guaranteed by the position recognized to it within the organisational structure of the company, and by the necessary requisites of independence, integrity and professionalism of its members, as well as by the reporting lines towards the Board of Directors of the Company.

To support the definition and the performance of the activities within its remit and ensure the utmost respect of the requisite of professionalism, continuity of action and the legislative obligations, the Compliance Committee can avail itself of the Company resources, as well as, if needed, of external resources with specialised skills.

The "Technical Secretariat of the 231 Compliance Committee of Saipem SpA" supports the Compliance Committee in the performance of its tasks.

3.1.2. Composition and appointment

The composition of the Compliance Committee, its changes and integrations, are approved with resolution of the Board of Directors, after hearing the opinion of the Audit and Risk Committee and of the Remuneration and Appointment Committee, upon proposal of the Chief Executive Officer with the agreement of the Chairman.

The Compliance Committee is a collegial body composed of three external members, one of whom is appointed Chairman of the Compliance Committee; they are chosen among academics and professionals of proven expertise and experience in legal, economic and/or company organisation issues.

The term in office of the members of the Compliance Committee coincides with the term of the Board of Directors that appointed them. The members of the Compliance Committee leave office on the date of the Shareholders' Meeting called for the approval of the financial statements connected with the latest year of their office, but they continue to perform their functions ad interim until the appointment of the new Compliance Committee members. Each member can be confirmed in the office for no more than 3 (three) consecutive mandates, up to a maximum of 9 (nine) years.

Reasons for ineligibility and/or removal of the members of the Compliance Committee include:

(i) kinship, marriage, domestic partnership or affinity within the fourth degree of kinship with any members of the Board of Directors of the Company or its Subsidiaries, or with representatives, directors or managers of the Company or of one of its organisational units with financial and functional independence, as well as with persons who are responsible, also de facto, for managing or controlling the Company, the statutory auditors of the Company and the auditing company, as well as any other parties specified by the law;
(ii) conflicts of interest, even potential ones, with the Company or its Subsidiaries, compromising their independence;
(iii) direct or indirect holding of equity investments resulting in a significant influence on the Company or its Subsidiaries;
(iv) appointment in the office of executive director, in the three financial years before appointment as member of the Compliance Committee, in companies undergoing voluntary or forced liquidation or equivalent procedures, as well as in the other cases regulated by Art. 2382 of the Civil Code;
(v) employment in the central or local government sector, in the three years before the appointment as member of the Compliance Committee, unless otherwise resolved by the Board of Directors;
(vi) judgement, even if still not having the force of res judicata, or plea bargain, in Italy or abroad, for the offences which entail the administrative liability of legal entities pursuant to Legislative Decree No. 231 of 2001;
(vii) judgement, even if still not having the force of res judicata, or “plea bargaining” for a judgement imposing the disqualification, even temporary, from public office, or temporary disqualification from holding management positions in legal entities and companies.

It is not admitted to appoint as members of the Compliance Committee, people who are linked to Saipem SpA or its Subsidiaries, or to the directors of Saipem SpA or its Subsidiaries, through a contract as employees or as independent contractors, or have had with these parties other relations of a financial or professional nature in the 3 (three) years before the appointment that may jeopardise their independence. If appointed, they are to be removed from office.

It is a reason for replacement and subsequent integration of the composition of the Compliance Committee the termination or resignation of the member of the Compliance Committee for personal reasons.

Should one of the above-mentioned reasons for replacement, ineligibility and/or removal be applicable to a member, this member shall immediately notify the other members of the Compliance Committee in writing, and shall automatically be removed from office. The Compliance Committee shall inform the Chairman and the Chief Executive Officer,

in order to start the process for the replacement and to submit relevant proposal to the Board of Directors, as set forth in this paragraph.

The occurrence of reasons for replacement, ineligibility and/or removal of members of the Compliance Committee shall not involve the removal from office of the entire body and the Board of Directors shall without delay provide for their replacement.

Without prejudice to the above, the Board of Directors may resolve - after hearing the opinion of the Audit and Risk Committee and the Board of Statutory Auditors - the suspension or removal from office of a member of the Compliance Committee in the following cases:

- failure to provide adequate supervision that is proved - even incidentally - by judgement, even if still not having the force of res judicata, issued pursuant to Legislative Decree No. 231/2001 against the Company or another legal entity in which the concerned member is, or was, member of a compliance committee, or arising, even incidentally, from plea bargain;
- serious failure to fulfil the duties of Compliance Committee.

3.1.3. Functions, powers and budget of the Compliance Committee

The tasks of the Compliance Committee are the following:

(i) supervision of the effectiveness of Model 231 and monitoring of the implementation and updating activities of Model 231;
(ii) review of Model 231 adequateness, i.e., of effectiveness (and not merely formal) in preventing unlawful behaviours pursuant to Legislative Decree No. 231/2001;
(iii) analysis of the maintenance of the requirements of soundness and functionality of Model 231 over time;
(iv) promotion of the necessary updating, in a dynamic sense, of Model 231;
(v) approval of the annual programme of supervisory activities within the Company's structures and departments (hereinafter, "**Supervision Program**"), in compliance with the principles and contents of Model 231 as well as with the risk assessments and controls established in the internal control system; coordination of activities for the implementation of the Supervision Program and of scheduled and unscheduled control initiatives; analysis of the results of the activities carried out and corresponding reports;
(vi) care of the relevant information flows to and from company functions and compliance committees of Subsidiaries;
(vii) any other task assigned according to the law or to Model 231.

In performing the tasks assigned, the Compliance Committee has unlimited access to company information for its activities of investigation, analysis and control, which may be carried out directly, through the competent internal functions, or through independent professionals/companies. All company functions, employees and/or members of company bodies are obliged to provide information if requested by the Compliance

Committee, or in the case of events that could result in a liability of Saipem SpA pursuant to Legislative Decree No. 231/2001.

The Compliance Committee is granted:

- the power to grant, modify and/or terminate professional assignments – also making use of the competent internal company functions – with autonomous powers of representation, to third parties having the specific expertise necessary for the best execution of the task concerned;
- the availability of the financial resources for the performance of the activities within its field of competence. The requirement to carry out any transaction whose amount exceeds 1 million Euro, is communicated to the Chairman and the Chief Executive Officer of Saipem SpA.

3.2. Information flows

3.2.1. Information flows from the Compliance Committee towards top management and governance and corporate control bodies

The Compliance Committee reports on the implementation of Model 231, as well as any critical aspects identified, and inform of the result of the activities carried out while performing its tasks. The reporting lines are as follows:

(i) on an ongoing basis, to the Chief Executive Officer, who informs the Board of Directors through the information notes regarding the implementation of the delegations granted;
(ii) every six months, to the Audit and Risk Committee, to the Board of Statutory Auditors and to the Board of Directors; in this regard, the Compliance Committee prepares a half-yearly report on the activities carried out, which describes the outcome of the supervision activities carried out and any change in legislation concerning the administrative liability of entities issued during the period; on this occasion, dedicated meetings with the Audit and Risk Committee, the Board of Statutory Auditors and the Board of Directors are organised in order to discuss the issues submitted in the report and any additional issue of common interest; the half-yearly report is also sent to the Chairman and the Chief Executive Officer;
(iii) immediately, to the Audit and Risk Committee and the Board of Statutory Auditors, after informing the Chairman and to the Chief Executive Officer , in the case events of special importance and significance are ascertained.

3.2.2. Compulsory information flow towards the Compliance Committee

Without prejudice to the provisions of Par. 3.2.3, the Compliance Committee shall be informed, by the parties required to comply with Model 231 of any event that may cause liability of Saipem SpA pursuant to Legislative Decree No. 231/2001. In this regard:

- the Manager Responsible for the preparation of Financial Reports meets the

Compliance Committee, at least once every six months, to inform about the result of internal checks and evaluations relevant to the assessment of the internal control system over financial reporting;

- the company in charge of the legal audit meets the Compliance Committee before the meeting of the Board of Directors called for the approval of the financial statements proposal, the half-yearly report and the annual report, for the assessment of possible critical issues arising from the performance of auditing activities;
- the Legal Events Monitoring Team forwards to the Compliance Committee the notices and reports received, on an ongoing and timely basis, as well as an annual report on the assessments and its monitoring within its field of competence;
- the Internal Audit function forwards to the Compliance Committee the notices and reports received, on an ongoing basis or at least once every three months, as well as the assessments and its monitoring within its area of competence;
- at least once every six months, the Health, Safety, Environment and Quality function presents reports on health and safety in the workplace and environment reports, as well as the assessments and monitoring carried out within its area of competence;
- at least once every six months, the competent Compliance function meets the Compliance Committee and submits the report relevant to anti-corruption activities;
- the General Counsel, Contract Management, Company Affairs, Governance and Public Affairs function provides regular reports to the Compliance Committee on ongoing legal proceedings;
- once a year, the Chief Financial Officer function reports to the Compliance Committee on the issues within his remit. Moreover, at least once every six months, the Chief Financial Officer function communicates to the Compliance Committee the tasks assigned by Saipem SpA and its Subsidiaries to the auditing company or its affiliated companies, other than those related to the auditing of the financial statements;
- the competent Compliance function reports to the Compliance Committee at least once every six months on the adoption and update of the organisation, management and control models of the Subsidiaries;
- at least once every six months, the People, HSEQ and Sustainability function reports on the security activities carried out;
- the People, HSEQ and Sustainability function periodically reports to the Compliance Committee on the disciplinary measures taken as a result of investigations undertaken following the receipt of reports, also anonymous (whistleblowing), or arising from audit activities, as well as any additional disciplinary measures taken against unlawful behaviours pursuant to Model 231.

It remains understood that the Compliance Committee can arrange meetings and set up at any time, also on a regular basis, information flows dedicated to the discussion of specific issues with the managers of the competent functions and company structures. The Compliance Committee can also organise meetings with the Chief Executive Officer of Saipem SpA.

3.2.3. Whistleblowing Reports

The management, employees, consultants, collaborators and business partners shall report any behaviour that is not in line with the principles and the contents of Model 231 to the Compliance Committee; the Compliance Committee assesses the reports received and the activities to be carried out.

Saipem[7] has set up dedicated communication channels as indicated in the Procedure "*Whistleblowing Reports, also anonymous, received by Saipem SpA and its Subsidiaries in Italy and abroad*" published on the Intranet and Internet websites of the Company and accessible to all Saipem employees and website users.

Saipem SpA has also set up its own "dedicated channels" of the Compliance Committee to encourage the notification flow of reports:
organismodivigilanza@saipem.com.

The communication channels adopted guarantee, together with the provisions for managing the report, the confidentiality of the whistleblower's identity.

The obligations to report any alleged violation apply also to behaviours not in line with the principles and the contents of Model 231 which the management or the employees of Saipem SpA have come to know, through communication channels other than those indicated above, within the limit of respect of the principles of fairness and good faith that must characterise the employment relationship.

The Compliance Committee also reviews the reports received through communication channels other than those described above.

Whistleblowers are guaranteed against any form, direct or indirect, of retaliation, which causes or can cause, directly or indirectly, an unjust damage, without prejudice to the legal obligations, and when it is ascertained the whistleblower's criminal liability deriving from aspersion and calumny crimes and/or, for the same crimes, it is ascertained the whistleblower's civil liability for wilful misconduct or gross negligence, as foreseen in the legislation in force. In such circumstances, the Company reserves the right to protect its rights, also by adopting disciplinary measures.
In any case, the confidentiality of the whistleblower's identity is assured; sanctions are also imposed on those who violate provisions adopted to guarantee safeguarding of the whistleblower.

3.3. Information notes concerning Subsidiaries

Without prejudice to the autonomy of the Subsidiaries, their compliance committees and other equivalent bodies in charge of monitoring the implementation and update of the organisation, management and control model, being recognised in a peer relationship

[7] "Saipem" means Saipem SpA and its direct and indirect subsidiaries, in Italy and abroad.

with the Compliance Committee of Saipem SpA, shall deliver to the latter a half-yearly report describing:

- the planning of the supervision activities within their field of competence;
- any significant issue arisen in the scheduling and implementation of such activities and any relevant actions put in place for remediation;
- information note on the adoption and update of the organisation, management and control model of the relevant Subsidiary.

Without prejudice to the above, these bodies shall timely inform the Compliance Committee of Saipem SpA and, in the case of a company indirectly controlled, the compliance committee or other equivalent body of its direct parent company, of the significant facts acknowledged in their supervision activities that have or may have a significant impact on Model 231 of Saipem SpA, or may potentially cause a criminal or administrative liability of the Company or its personnel.

The compliance committees or other equivalent bodies of the Subsidiaries shall make available to the Compliance Committee of Saipem SpA any information requested by this latter upon occurrence of events or circumstances which may have significant impact on the performance of the activities within their remit.

3.4. Collection and storage of information

Any information, report, notice provided for in Model 231 is kept by the Compliance Committee in a paper and/or electronic archive. Without prejudice to legitimate orders of Authorities, data and information stored in the archive is made available to parties outside the Compliance Committee only with the prior authorization of the Compliance Committee itself.

CHAPTER 4
COMMUNICATION AND TRAINING

4.1. Communication and training activities

Communication and personnel training are important requirements for the implementation of Model 231. Saipem SpA undertakes to encourage and promote knowledge of Model 231, with different knowledge degrees according to the position and role of the Addressees, promoting their active participation in better understanding the principles and contents of Model 231.

4.1.1. Communication of Model 231

Model 231 is formally communicated by the Chief Executive Officer of Saipem SpA, through the competent company functions:

- to each member of the company bodies;
- to management and employees, whether on permanent job and/or on duty.

Model 231 is enclosed to the employment contract.

The principles and contents of Model 231 are disclosed to all with whom Saipem SpA has contractual relations. All agreements concluded by Saipem SpA with third parties shall include a clause requiring such third parties to comply with the law and the reference principles of Model 231; such clause must be accepted by the relevant third parties.

In this regard, a regulatory document has specified standardised clauses that, according to the activity regulated by the agreement, require the counterparties to comply with Model 231, and provide for contractual remedies (such as the right to terminate/suspend the agreement and/or impose specific penalties) in case of failure to comply.

Furthermore, Saipem provides for a detailed supplier assessment system, which provides for the adoption of measures (monitoring, authorization, suspension, withdrawal) against the latter in the event that it becomes aware of conduct contrary to the principles contained in the Model 231 since qualification phase.

Model 231 is also displayed on the company bulletin boards and made available to all employees on the Company Intranet and on the Document Management System and to all users - even not employees - on Saipem's website.

4.1.2. Training of Saipem SpA personnel

All Saipem SpA personnel are informed of the principles and contents of Legislative

Decree No. 231/2001 and Model 231 also through specific training courses which also provide specific examples of the predicate offenses pursuant to Legislative Decree no. 231/ 2001 also in the light of jurisprudence.

This training activity is provided through IT instruments and procedures (update e-mails, self-assessment instruments), as well as through regular update training sessions and workshops, and includes tests aimed at evaluating the training activities themselves. Training is differentiated, in its contents and delivery method, according to the job title of the Saipem SpA employee, the level of risk of the area in which he/she operates, and whether the employee has the power to represent the Company. Attendance at the training courses is mandatory.

The planning of the training courses is approved by the Compliance Committee of Saipem SpA on proposal of the competent Compliance function, which provides a half-yearly report to the Compliance Committee regarding the training activities carried out.

CHAPTER 5
DISCIPLINARY SYSTEMS

5.1. Function of the disciplinary system

In the case of violation of Model 231, disciplinary measures are applied and are commensurate with the violation committed, for the purposes of contributing to: (i) the effectiveness of Model 231 and (ii) the effectiveness of the control activity of the Compliance Committee.

For this purpose, a suitable disciplinary system has therefore been established in order to punish the failure to comply with the requirements of Model 231, addressed both to the top-level management and to those individuals subject to the direction of others. The application of the disciplinary system is independent from the course and the outcome of any proceedings brought before the competent judicial authorities.

The Compliance Committee informs the relevant functions of violations of Model 231 and, together with the People, HSEQ and Sustainability function, monitors the application of disciplinary measures.

5.2. Violation of Model 231

For the purposes of the compliance with the law, by way of example, the following violations of Model 231 are represented by:

(i) the performance of activities or behaviours not compliant with the requirements of Model 231 and/or the Code of Ethics and/or the regulatory documents, or the failure to perform activities or behaviours required by Model 231 and/or the Code of Ethics and/or the regulatory documents within the execution of Sensitive Activities or other related activities, including the performance of activities or behaviours not compliant with the requirements on workplace health and safety, as set forth in Art. 30 of Legislative Decree No. 81/2008;

(ii) the failure to comply with the obligations to inform the Compliance Committee specified by Model 231, which:
   a) exposes the Company to an objective risk of perpetrating one of the offences referred to in Legislative Decree 231/2001; and/or
   b) is clearly aimed at facilitating the perpetration of one or more offences referred to in Legislative Decree 231/2001; and/or
   c) results in the application to the Saipem SpA of sanctions provided for by Legislative Decree 231/2001.

5.3. Measures concerning middle managers, white collar and blue collar workers

Upon each notice of violation of Model 231 communicated by the Compliance Committee, the procedure to investigate alleged unlawful behaviour of Saipem SpA employees is initiated by the People, HSEQ and Sustainability function:

(i) If, following to the ascertainment of breach pursuant to the contract in force, a violation of Model 231 or the Code of Ethics is verified, the disciplinary measure provided for by the applicable contract is identified pursuant to the relevant regulatory documents and imposed by the People, HSEQ and Sustainability function towards the defaulting party;
(ii) the sanction applied is proportional to the gravity of the offence. The following aspects shall be taken into consideration: intentionality of the behaviour or degree of negligence; overall conduct of the employee with particular reference to previous disciplinary records, if any; level of responsibility and autonomy of the employee guilty of the disciplinary offence; seriousness of the effects of the violation, i.e., the level of risk that the Company may reasonably be exposed to – pursuant to Legislative Decree No. 231/2001 – due to the employee's behaviour; any other particular circumstances relating to the disciplinary offence.

The disciplinary measures are those provided for by the collective labour agreement applied to the employment relationship of the employee in question, as well as those in any case applicable according to legal provisions, including dismissal.

The People, HSEQ and Sustainability function communicates to the Compliance Committee the disciplinary measures that have been applied or any provision of closure of the procedure and the reasons thereof.

All legal and contractual obligations concerning the application of disciplinary measures shall be also complied with.

The employment relationships with the employees who provide their services abroad, also due to secondment, are regulated, according to the provisions of Regulation No. 593/2008/EC of the law applicable to contractual obligations, as well as by the Legislative Decree No. 136/2016 on cross-border secondments.

5.4. Measures concerning senior managers

When a violation of Model 231 by one or more managers is notified by the Compliance Committee and verified pursuant to Par. 5.3 (i) above, the Company adopts towards the defaulting party the applicable legal and contractual provisions, taking into account the criteria set by Par. 5.3 (ii). If the violation of Model 231 undermines the relationship of trust, the sanction shall consist in dismissal for just cause.

5.5. Measures concerning Directors

The Compliance Committee informs the Audit and Risk Committee, the Board of Statutory Auditors, the Chairman of the Board of Directors and the Chief Executive Officer of notice of any violation of Model 231 by one or more members of the Board of Directors. If the violation was committed by the Chairman of the Board of Directors or by the Chief Executive Officer, such violation of Model 231 will be disclosed to the other members of these company bodies. The members of the Board of Directors, without the participation of the party concerned, carry out all necessary evaluations and take, after consulting the Audit and Risk Committee, without the participation of the party concerned, and the Statutory Auditors, the appropriate measures, which may include the precautionary revocation of the delegated powers, as well as the calling of the Shareholders' Meeting to decide for a replacement, if necessary.

5.6. Measures concerning Statutory Auditors

The Compliance Committee informs the Chairman of the Board of Statutory Auditors (or another Statutory Auditor, if the violation is carried out by the Chairman) and the Board of Directors, in the person of its Chairman, of notice of a violation of Model 231 carried out by one or more Statutory Auditors. The information note provided to the Board of Directors subsumes the information to the Audit and Risk and Committee. The members of the Board of Statutory Auditors, without the participation of the party involved, after hearing the opinion of the Board of Directors, carry out all necessary assessments, which may include calling the Shareholders' Meeting in order to take the necessary measures.

CHAPTER 6
CONTROL SYSTEMS

6.1. Structure of controls

The document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” identifies the Sensitive Activities deemed at risk for the commission of the offences provided for by the Legislative Decree No. 231/2001, and the corresponding control systems aimed at preventing these offences.

Consistently with the risk assessment methodology adopted (as described in Chapter 2 above), the document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” is structured on the basis of the company processes of Saipem SpA and identifies, for each of them, the applicable Sensitive Activities, that is, the company activities, within the process, where there may be a risk that offences be perpetrated.

For each Sensitive Activity identified, the document indicates the Control Standards aimed at preventing the risk of the offences specified by Legislative Decree No. 231/2001.

In particular, the Control Standards pursuant to Model 231 are structured on two levels:

1. **general standards of transparency of activities**, listed below and applicable across all company processes and corresponding activities:

    a) **Segregation of duties**: there shall be segregation of duties between executing, controlling and authorizing parties[8];
    b) **Rules**: company regulations providing at least general reference principles for governing sensitive activities shall be specified;
    c) **Powers of signature and powers of authorisation**: formal rules for the attribution and exercise of the powers to represent the Company before third parties and the internal delegation of powers shall be specified, in line with the responsibilities assigned;
    d) **Traceability**: the parties or functions concerned and/or the information system used shall ensure the identification and traceability of the sources, information and controls that support the formation and implementation of the Company’s decisions, as well as the process of management of financial resources.

The general transparency standards are implemented by the relevant functions within the regulatory documents that refer to the Sensitive Activities. These regulatory

[8] This standard is qualified as follows:
- the segregation principle must consider the Sensitive Activity within the context of the specific process in question;
- segregation occurs within codified, complex and organised systems where individual phases must be identified and governed in a consistent way within management, with a consequent limitation of enforcement discretion, as well as traced through the decisions made.

documents are communicated and circulated by the relevant functions in compliance with applicable law and contractual provisions and the management and employees of Saipem SpA are required to comply with them;

2. **specific control standards**, which contain special provisions aimed at governing the distinctive aspects of the Sensitive Activities and which shall be included in the relevant regulatory documents. These documents indicate Model 231 among reference regulations.

   The relevant functions ensure the implementation of the specific Control Standards aimed at regulating the distinctive aspects of the Sensitive Activities related to the corresponding company processes.

6.2. Sensitive Activities and specific Control Standards

The document “Special Section of Model 231 - Sensitive Activities and specific Control Standards”, approved by the Board of Directors, at the time of the approval of the first version of Model 231, and by the Chief Executive Officer, at the time of its subsequent updates according to the procedure described in Chapter 7, identifies for each company process the related Sensitive Activities and the corresponding control systems adopted by the Company.

This document is communicated by the Chief Executive Officer of Saipem SpA, also through the competent Compliance function , to his/her first and second reporting line, the Manager Responsible for the preparation of Financial Reports, the branch managers of Saipem SpA and to the Organisation function. The specific Control Standards are implemented by the relevant company functions in the regulatory documents that refer to the Sensitive Activities. The Internal Audit function of Saipem SpA is informed of the Sensitive Activities and the specific Control Standards for the performance of the activities within its area of competence.

CHAPTER 7
RULES FOR UPDATING MODEL 231

7.1. Introduction

Due to the complexity of the organisational structure of the Company and of the application of Model 231 to the latter, the update of Model 231 is based on an innovation implementation program (hereinafter, "**Implementation Program**").

7.2. Implementation Program drafting criteria

The timely drafting of the Implementation Program is required in case of (a) legislative changes concerning the provisions on liability the administrative liability of legal entities of violations, (b) regular review of Model 231, also in connection with significant changes in the organisational structure or business activities of the Company, (c) significant violations of Model 231 and/or outcomes of checks on its effectiveness, or industry experience in the public domain. The activity is aimed at preserving the effectiveness of Model 231 over time.

The task of disposing for the review of Model 231 is assigned to the Chief Executive Officer, already in charge of its implementation, according to the methodology and the principles provided for in Model 231. In detail:

- the Compliance Committee reports to the Chief Executive Officer any information in its possession that suggests the need to update Model 231;
- the Chief Executive Officer starts the Implementation Program, informing the Board of Directors;
- the Implementation Program is prepared and carried out with the support of a special multifunctional team (hereinafter, "Team 231"), consisting of the managers of the following Saipem SpA functions: Professional Practice, Continuous Audit and Relations with Control Bodies, Organisation, the competent Compliance function, Corporate Affairs and Governance and Internal Control System over Financial Reporting and/or by a first reporting line of these. The Team is integrated on a case-by-case basis by the relevant company functions, according to the specific requirements;
- the Implementation Program identifies the activities needed to carry out the update of Model 231, specifying responsibilities, timeline and implementation modalities. Team 231 deals in particular with the identification of the legal and statutory requirements for the correct updating of Model 231, as well as the modification and/or integration of Sensitive Activities and Control Standards;

The results of the Implementation Program prepared by Team 231 with the support of

the relevant company functions and with the co-operation of the Compliance Committee are submitted by Team 231 to the Chief Executive Officer, who approves the results and the initiatives to be carried out within his/her field of competence.

The changes and/or integrations specified in the Implementation Program, related to: (a) the structure of the document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” and (b) corrections of typos and / or material errors, updating or correction of references to regulatory provisions, modification of the name of internal company functions and processes are approved by the Chief Executive Officer of Saipem SpA, who informs the Board of Directors, and are immediately effective.

The changes and/or integrations to Model 231 other than those listed above are approved by the Board of Directors, subject to the favourable opinion of the Board of Statutory Auditors and the Audit and Risk Committee.

The Compliance Committee monitors the progress and results of the Implementation Program, as well as the implementation of the measures taken, and informs the Chief Executive Officer of the outcome of these activities.

CHAPTER 8
SAIPEM CODE OF ETHICS

INTRODUCTION

Saipem[9] is an internationally oriented industrial group which, because of its size and the importance of its activities, plays a significant role in the marketplace and in the economic development and welfare of individuals who work for or with Saipem and of the communities where it is present.

The complexity of the situations in which Saipem operates, the challenges of sustainable development and the need to take into consideration the interests of all those with a legitimate interest in the company business ("Stakeholders"), strengthen the importance of clearly defining the values that Saipem accepts, acknowledges and shares as well as the responsibilities it assumes, contributing to a better future for everybody.

For this reason, the Saipem Code of Ethics ("**Code**" or "**Code of Ethics**") has been drafted. Compliance with the Code by Saipem's directors, statutory auditors, managers and employees, as well as by all those who operate in Italy and abroad for achieving Saipem's objectives ("**Saipem People**"), each within their own functions and responsibilities, is of paramount importance – also pursuant to legal and contractual provisions governing the relationship with Saipem – for Saipem's efficiency, reliability and reputation, which are all crucial factors for its success and for improving the social context in which Saipem operates.

Saipem shall promote knowledge of the Code among Saipem People and the other Stakeholders, and accept their constructive contribution to the Code's principles and contents. Saipem shall take into consideration any Stakeholder's suggestion and remark, with the objective of confirming or integrating the Code.

Saipem carefully monitors compliance with the Code by providing suitable instruments and procedures defined in regulatory documents[10] for information, prevention and control purposes and ensuring transparency in all transactions and behaviours, by taking corrective measures if and as required. The Compliance Committee or other equivalent body of each Saipem company performs the functions of guarantor of the Code of Ethics ("**Guarantor**").

The Code is brought to the attention of all those with business relations with Saipem.

[9] "Saipem" means Saipem SpA and its direct and indirect subsidiaries, in Italy and abroad.
[10] "Regulatory documents" are documents that regulate policies, processes and specific issues/aspects of company interest, with the objective of ensuring uniformity of conduct, as well as pursuing compliance objectives, describing tasks and/or responsibilities of the organisation structures involved in the regulated processes, the management and control procedures and the information flows.

1. General principles: sustainability and corporate responsibility

Compliance with laws, regulations, statutory provisions, Corporate Governance codes, ethical integrity and fairness, is a constant commitment and duty of all Saipem People, and characterizes the conduct of Saipem's entire organisation.

Saipem's business and company activities shall be carried out in a transparent, honest and fair way, in good faith, and in full compliance with competition rules.

Saipem shall maintain and strengthen a governance system in line with international best practice standards, able to deal with the complex situations in which Saipem operates, and with the challenges facing sustainable development.

Systematic ways to involve Stakeholders have been adopted, fostering discussion on sustainability and corporate responsibility.

In conducting both its activities as an international company and those with its partners, Saipem stands up for the protection and promotion of human rights, inalienable and fundamental prerogatives of human beings and basis for the establishment of societies founded on principles of equality, solidarity, repudiation of war, and for the protection of civil and political rights, of social, economic and cultural rights and the so-called third generation rights (self-determination right, right to peace, right to development and to the protection of the environment).

Saipem believes that its conduct must not in any way favour or tolerate violations of human rights in any way, and other illegal activities, such as money laundering and any form of terrorist financing and undertakes to guarantee, through its conduct, the full compliance with and effectiveness of the restrictions and limits set by national and international legislation on the matter.

No form of discrimination, corruption, forced or child labour is tolerated. Particular attention is paid to the acknowledgement and safeguarding of the dignity, freedom and equality of human beings, to protection of labour and of the freedom of trade union association, of health, safety, the environment and biodiversity, as well as the set of values and principles concerning transparency, energy efficiency and sustainable development, in accordance with International Institutions and Conventions.

In this regard, Saipem operates in compliance with the international provisions of the Universal Declaration of Human Rights of the United Nations and the following conventions:

- the Convention on the protection of the European Communities' financial interests (Brussels, 26 July 1995) and relevant first Protocol (Dublin, 27 September 1996);

- the Convention on the fight against corruption involving officials of the European communities or officials of Member States of the European Union (Brussels, 26 May 1997);
- the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Paris, 17 December 1997);
- the fundamental Conventions of ILO-International Labour Organization (18 June 1998)
- the Guidelines of the Organization for Economic Co-operation and Development (OECD) for multinational companies.

Saipem also keeps into account the provisions of the national legislation most advanced on the front of the fight against corporate crime and, in particular, the controls and the mechanisms of prevention and control considered and/or referred to within the legal provisions.

All Saipem People, without any distinction or exception whatsoever, must respect the principles and contents of the Code in their actions and behaviours in the context of their functions and tasks, aware that compliance with the Code is fundamental for the quality of their working and professional performance. Relationships among Saipem People, at all levels, shall be characterized by honesty, fairness, cooperation, loyalty and mutual respect.

The belief of acting in favour or to the advantage of Saipem can never justify – not even in part – any behaviour conflicting with the principles and contents of the Code.

2. Conduct standards and relations with Stakeholders

2.1. Ethics, transparency, fairness, professionalism

In its business relations, no matter how significant they are, Saipem is inspired by and complies with the principles of loyalty, fairness, transparency, efficiency and openness to the market.

Any action, transaction and negotiation performed and, generally, the conduct of Saipem People in the performance of their duties is inspired by the highest principles of fairness, completeness and transparency of information and legitimacy, both in form and substance, as well as clarity and truthfulness of all accounting records, in compliance with the applicable laws in force and regulatory documents.

All Saipem's activities shall be performed with the utmost care and professional skill, with the duty to provide skills and expertise appropriate to the tasks assigned, and to act so as to protect Saipem's image and reputation. Company objectives, as well as the proposal and implementation of projects, investments and actions, shall be aimed at

improving the company's assets, management, technological and information level in the long term, and at creating value and welfare for all Stakeholders.

Bribes, illegitimate favours, collusion, requests for personal or career benefits for oneself or others, either directly or through third parties, are prohibited without any exception.

To pay or offer, directly or indirectly, money and material benefits and other advantages of any kind to third parties, whether representatives of governments, public officers and public servants or private employees, in order to influence or remunerate the actions of their office is prohibited.

Commercial courtesy, such as small gifts or forms of hospitality, is only allowed when its value is small and when it does not compromise the integrity and reputation of either party, and cannot be construed by an impartial observer as aimed at obtaining undue advantages. In any case, this type of expense shall always be authorized by the person in the position identified by the regulatory documents and properly documented.

Cash gifts from individuals or companies that have or plan to have business relations with Saipem shall not be accepted. Anyone who receive proposals of gifts or special treatment or hospitality that cannot be considered as commercial courtesy of small value, or requests therefore by third parties, shall refuse them and immediately inform their direct superior, or the body they belong to, as well as the Guarantor.

Saipem shall properly inform all third parties about the commitments and obligations provided for in the Code, require third parties to respect the principles of the Code relevant to their activities and take proper internal action and, if the matter is within its own competence, external action if a third party fails to comply with the Code.

2.2. Relations with shareholders and with the Market

2.2.1. Value for shareholders, efficiency, transparency

The internal structure of Saipem and the relations with the parties directly and indirectly taking part in its activities are regulated in a way to ensure management reliability and a fair balance between the management's powers and the interests of shareholders in particular and the other Stakeholders in general, as well as to ensure transparency and knowledge by the market of the management decisions and general company events that could have a considerable influence on the market value of the financial instruments issued.

Within the framework of the initiatives aimed at maximizing the value for shareholders and at guaranteeing transparency of the management activity, Saipem defines, implements and progressively adjusts a coordinated and homogeneous set of conduct

rules concerning both its internal organisational structure and its relations with shareholders and third parties, in compliance with the highest corporate governance standards at the national and international level, in the awareness that the company's capacity to impose efficient and effective functioning rules upon itself is a fundamental tool for strengthening its reputation in terms of reliability and transparency as well as Stakeholders' trust.

Saipem deems it necessary that shareholders be able to participate in the decisions within their area of competence and to make informed choices. Therefore, Saipem shall ensure that information is disclosed to shareholders and the market with the greatest transparency and timeliness – making use, among other things, of the company website – in compliance with the laws and regulations for listed companies.

Saipem shall also keep in due consideration the legitimate directions provided by shareholders whenever they are entitled to do so.

2.2.2. Corporate Governance Code

The main corporate governance rules of Saipem, here referred to as required, are laid out in the Corporate Governance Code for listed companies issued by Borsa Italiana, to which Saipem SpA has adhered.

2.2.3. Company information

Saipem ensures the correct management of company information, by means of suitable procedures for in-house management and external communication.

2.2.4. Significant or Inside information

All Saipem People are required, while performing their tasks, to handle significant or inside information correctly and to know and comply with regulatory documents on market abuse. Insider trading and any behaviour that may promote insider trading are expressly forbidden. In any case, the purchase or sale of Saipem shares or shares of companies outside Saipem shall always be based on absolute and transparent fairness.

2.2.5. Media

Saipem shall provide true, prompt, transparent and accurate information to the outside.

Relations with the media are exclusively dealt with by the departments and managers specifically appointed to do so; all Saipem People shall agree in advance with the relevant Saipem structure regarding the information to be supplied to media representatives, as well as the undertaking to provide such information.

2.3. Relations with institutions, associations and local communities

Saipem encourages dialogue with Institutions and with organized associations of civil society in all the countries where it operates.

2.3.1. Authorities and Public Institutions

Saipem, through its people, actively and fully cooperates with the Authorities.

Saipem People, as well as the external collaborators whose actions may somehow be attributed to Saipem, shall adopt a conduct towards the Public Administration characterized by fairness, transparency and traceability. These relations shall be exclusively handled by the relevant functions and positions, in compliance with approved plans and regulatory documents.

The functions of the subsidiaries concerned shall coordinate with the relevant Saipem structure for a preliminary assessment of the quality of the initiatives to be adopted and for the sharing, implementing and monitoring of these actions.

It is forbidden to make, induce or encourage false statements to Authorities.

2.3.2. Political organisations and trade unions

Saipem does not make direct or indirect contributions, in whatever form, to political parties, movements, committees, political organisations, or to their representatives and candidates. Direct or indirect contributions may be made to trade unions and their representatives, to the extent this is provided for by mandatory legislative requirements or applicable collective labour contracts[11].

2.3.3. Development of local Communities

Saipem is committed to actively contribute to promoting the quality of life, the socio-economic development of the communities where Saipem operates and to the development of their human resources and capabilities, while conducting its business activities according to standards that are compatible with fair commercial practices.

Saipem's activities are carried out in the awareness of the social responsibility that Saipem has towards all its Stakeholders and in particular the local communities in which it operates, in the belief that the capacity for dialogue and interaction with civil society constitutes an important asset for the company. Saipem respects the cultural, economic and social rights of the local communities in which it operates and undertakes to

[11] Potential contributions in favour of supranational sea trade unions shall be explicitly approved by the *Chief People, HSEQ and Sustainability Officer*.

contribute, as far as possible, to their exercise, with particular reference to the right to adequate nutrition, drinking water, the highest achievable level of physical and mental health, decent dwellings, education, abstaining from actions that may hinder or prevent the exercise of such rights.

Saipem promotes transparency of the information addressed to local communities, with particular reference to the topics that they are most interested in. Forms of continuous and informed consultation are also promoted, through the relevant Saipem structures, in order to take into due consideration the legitimate expectations of local communities in conceiving and conducting company activities and in order to promote a proper redistribution of the profits deriving from such activities.

Saipem, therefore, shall promote the knowledge of its company values and principles, at every level of its organisation, also through the issuance of appropriate regulatory documents, and to protect the rights of local communities, with particular reference to their culture, institutions, ties and life styles.

Within the framework of their respective responsibilities, Saipem People shall participate in the creation of individual initiatives in compliance with Saipem's policies and intervention programs, implement them according to criteria of absolute transparency and support them as an integral part of Saipem's objectives.

2.3.4. Promotion of "non profit" activities

The philanthropic activity of Saipem is in line with its vision and focus on sustainable development.

Therefore, Saipem shall foster, support, and promote among its people its "non-profit" activities, which demonstrate the Company's commitment to contributing to meeting the needs of those communities where it operates.

2.4. Relations with clients and suppliers

2.4.1. Clients

Saipem pursues its business success in markets by offering quality goods and services under competitive conditions while respecting the rules protecting fair competition.

Saipem shall respect the right of clients not to receive goods harmful to their health and physical integrity and to receive complete information on the goods offered to them.

Saipem acknowledges that the esteem of those requesting goods or services is of primary importance for success in business. Business policies are aimed at ensuring

the quality of goods and services, safety and compliance with the precautionary principle. Therefore, Saipem People shall:

- comply with regulatory documents concerning the management of relations with clients;
- supply, with efficiency and courtesy, within the limits set by the contractual conditions, high-quality goods and services meeting the reasonable expectations and needs of clients;
- supply accurate and exhaustive information on goods and services and be truthful in advertisements or other kind of communication, so that clients can make informed decisions.

2.4.2. Suppliers and external collaborators

Saipem undertakes to seek suppliers and external collaborators with suitable professionalism and committed to sharing the principles and contents of the Code and promote the establishment of long-lasting relations for the progressive improvement of performances while protecting and promoting the principles and contents of the Code.

In relationships regarding tenders, procurement and, generally, the supply of goods and/or services and of external collaborations (including consultants, agents, etc.), Saipem People shall:

- comply with regulatory documents concerning selection and relations with suppliers and external collaborators and abstain from excluding any supplier meeting requirements from bidding for Saipem's orders; adopt appropriate and objective selection methods, based on established, transparent criteria;
- secure the cooperation of suppliers and external collaborators in guaranteeing the continuous satisfaction of Saipem's clients to an extent appropriate to their legitimate expectations, in terms of quality, costs and delivery times;
- use as much as possible, in compliance with the laws in force and the criteria for legality of transactions with related parties, goods and services supplied by Saipem companies at arm's length and market conditions;
- state in contracts the Code acknowledgement and the obligation to comply with the principles contained therein;
- comply with, and demand compliance with, the conditions contained in contracts;
- maintain a frank and open dialogue with suppliers and external collaborators in line with good commercial practice; promptly inform their direct superiors, and the Guarantor, about any possible violations of the Code;
- inform the relevant Saipem functions of any serious issue with a particular supplier or external collaborator, in order to evaluate possible consequences for Saipem.

The remuneration due shall be proportionate only to the services to be specified in the contract; payments cannot be made to any party other than the counterparty of the

contract or in a third Country different from the Country of the parties or the Country where the contract has to be performed[12].

Furthermore, Saipem provides for a detailed supplier assessment system, which provides for the adoption of measures (monitoring, authorization, suspension, withdrawal) against the latter in the event that it becomes aware of conduct contrary to the principles contained in the Code of Ethics since qualification phase.

2.5. Management, employees, and collaborators of Saipem

2.5.1. Development and protection of Human Resources

People are a key element in the life of a company. The dedication and professionalism of management and employees are fundamental values and conditions for achieving Saipem's objectives.

Saipem is committed to developing the abilities and skills of management and employees, so that their energy and creativity can have full expression for the fulfilment of their potential, and to protecting working conditions as regards both mental and physical health of the workforce and their dignity. Undue pressure or discomfort is not allowed, while appropriate working conditions promoting development of personality and professionalism are fostered.

Saipem undertakes to offer, in full compliance with applicable legal and contractual provisions, equal opportunities to all its employees, making sure that each of them receives fair statutory and wage treatment exclusively based only on merit and expertise, without discrimination of any kind.

Competent functions shall:

- adopt in any situation criteria of merit and ability (and anyhow strictly professional) in all decisions concerning human resources;
- select, hire, train, compensate and manage human resources without discrimination of any kind;
- create a working environment where personal characteristics or beliefs do not give rise to discrimination, able to provide peaceful environment to all Saipem People.

Saipem wishes Saipem People, at every level, to cooperate in maintaining a climate of

[12] For the purposes of the ban, countries are not considered third countries if a company/organisation, counterparty of Saipem, has established there its central treasury department and/or if it has established, fully or partly, offices or operating units that are functional and necessary for the execution of the contract, provided in each case that all further control measures set out in internal regulatory documents on selecting partners and making payments are implemented.

common respect for a person's dignity, honour and reputation. Saipem shall act to prevent offensive, discriminatory or abusive interpersonal behaviour. Conduct outside the workplace that is particularly offensive to public opinion is also deemed relevant in this regard.

Conduct constituting physical or moral violence is always forbidden, with no exception.

2.5.2. Knowledge Management

Saipem promotes the culture and the initiatives aimed at disseminating knowledge within its structures, and at highlighting the values, principles, behaviours and contributions in terms of innovation of professional families in connection with the development of business activities and the company's sustainable growth.

Saipem shall offer tools for interaction among the members of professional families, and working groups, as well as for coordination and access to know-how, and shall promote initiatives for the growth, dissemination and systematization of knowledge relating to the core competences of its organisational structures and aimed at defining a reference framework suitable for guaranteeing operating consistency.

All Saipem People shall actively contribute to the Knowledge Management processes for the activities within their area of competence, to optimize the system for sharing and disseminating knowledge among the individuals.

2.5.3. Company security

Saipem engages in the study, development and implementation of strategies, policies and operational plans aimed at preventing and overcoming any intentional or unintentional behaviour that may cause direct or indirect damage to Saipem People and/or to the tangible and intangible resources of the company. Preventive and defensive measures, aimed at minimizing the need for an active response – always in proportion to the attack – to threats to people and assets, are favoured.

All Saipem People shall actively contribute to maintaining an optimal company security standard, abstaining from unlawful or dangerous behaviour, and reporting any activity carried out by third parties to the detriment of Saipem's assets or human resources to their direct superior or to the body they belong to, as well as to the relevant Saipem structure.

In any case requiring particular attention to be paid to personal safety, Saipem People shall strictly follow the indications in this regard supplied by Saipem, abstaining from behaviour that may endanger their own safety or the safety of others, promptly reporting to their direct superior any danger to their own safety, or the safety of third parties.

2.5.4. Harassment or mobbing in the workplace

Saipem supports initiatives aimed at implementing working methods to increase welfare in the organisation.

Saipem demands that there shall be no harassment or conducts that may be interpreted as mobbing in personal working relationships either inside or outside the company. Such behaviour includes:

- the creation of an intimidating, hostile, isolating or in any case discriminatory environment for individual employees or groups of employees;
- unjustified interference in the execution of work duties by others;
- the placing of obstacles in the way of the work prospects of others merely for reasons of personal competitiveness on their own behalf or on behalf of other employees.

Any form of violence or harassment, either sexual harassment or harassment based on personal and cultural diversity, is forbidden. Such behaviour includes:

- subordinating decisions affecting the recipient's working life to the acceptance of sexual attentions, or personal and cultural diversity;
- obtaining sexual attentions taking advantage of one's position;
- proposing private interpersonal relations despite the recipient's explicit or reasonably clear distaste;
- referring to disabilities and physical or psychic impairment, or to forms of cultural, religious or sexual diversity.

2.5.5. Abuse of alcohol or drugs and smoking ban

All Saipem People shall personally contribute to promoting and maintaining a climate of common respect in the workplace; particular attention is paid to respect of others' feelings.

Saipem will therefore consider those who work under the effect of alcohol or drugs, or substances with similar effect, during the performance of their work activities and in the workplace, as being aware of the risk they cause. Chronic addiction to such substances, when it affects work performance, shall be considered similar to the afore-mentioned events in terms of contractual consequences; Saipem is committed to favouring social action in this field as provided for by employment contracts.

It is forbidden to:

- hold, consume, offer or give for whatever reason, drugs or substances with similar effect, at work and in the workplace;

- smoke in the workplace. Saipem supports voluntary initiatives addressed to smokers to help them quit smoking and, in identifying possible smoking areas, shall take into particular consideration the position of those suffering physical discomfort from exposure to smoke in the workplace shared with smokers and requesting to be protected from “second-hand smoke” in their place of work.

3. Instruments for implementation of the Code of Ethics

3.1. Internal control system

Saipem shall promote and maintain an adequate internal control system, i.e., all the necessary or useful tools for addressing, managing and checking activities in the company, aimed at ensuring compliance with laws and regulatory documents, protecting the company assets, efficiently managing activities and providing precise and complete accounting and financial information.

The responsibility for implementing an effective internal control system is shared at every level of Saipem’s organisational structure; therefore, all Saipem People, according to their functions and responsibilities, shall define and actively participate in the correct functioning of the internal control system.

Saipem promotes, also through regulatory documents, the dissemination, at every level of its organisation, of a culture characterized by awareness of the existence of controls and by the adoption of an informed and voluntary control oriented mentality; consequently, Saipem’s management first and foremost and all Saipem People in any case shall contribute to and participate in Saipem’s internal control system and, with a positive attitude, to involve its collaborators in this respect.

Each employee shall be held responsible for the tangible and intangible company assets relevant to his/her job; no employee can make, or let others make, improper use of the assets allocated and the resources of Saipem.

Any practices and behaviours linked to the perpetration or the participation in the perpetration of frauds are forbidden without any exception.

Control and supervisory bodies, the Internal Audit function and the auditing firms appointed shall have full access to all data, documents and information needed to perform their activities.

3.1.1. Conflicts of interest

Saipem acknowledges and respects the right of Saipem People to take part in

investment, business and other activities other than the activities performed in the interest of Saipem, provided that such activities are permitted by law and compatible with their obligations towards Saipem. Saipem adopts rules defined in regulatory documents to ensure the transparency and substantive and procedural accuracy of transactions with related parties and subjects of interest.

Saipem's management and employees shall avoid and report any conflict of interests between personal and family economic activities and their tasks within the company. In particular, all managers and employees shall report any specific situations and activities in which they, or, to their knowledge, their spouse, relatives and relatives in law within the 4th degree of kinship or co-habitants have an economic and financial interests (owner or shareholder) in the context of suppliers, clients, competitors, third parties, or corresponding controlling companies or subsidiaries, and notify whether they perform company administration or control or management functions therein.

Conflicts of interest also result from the following situations:

- use of one's position in the company, or of information, or of business opportunities acquired during one's work, to one's undue benefit or to the undue benefit of third parties;
- the performing of any type of work for suppliers, sub-suppliers and competitors by employees and/or their relatives.

In any case, Saipem's management and employees shall avoid any situation and activity where a conflict with the Company's interests may arise, or which can interfere with their ability to make impartial decisions in the best interest of Saipem and in full accordance with the principles and contents of the Code, or in general with their ability to fully comply with their functions and responsibilities.

Any situation that may constitute or give rise to a conflict of interest shall be immediately reported in writing to one's direct superior or to the body they belong to. Employees shall also, and in any case, inform in writing the competent Human Resources function and the Guarantor.

The party involved shall promptly cease to take part in the operational/decision-making process.

The direct superior or the body, after hearing the opinion of the competent Human Resources function:

- ascertains the existence of the conflict and identifies the operational solutions that may ensure, in the specific case, transparency and fairness of behaviours in the performance of activities;
- sends to those involved the necessary directions in writing, and copies

thereof to the relevant Human Resources function and to the Guarantor;
- files the documentation received and forwarded.

3.1.2. Transparency of accounting records

Accounting transparency is based on the use of true, accurate and complete information as the basis for the corresponding book entries. All members of company bodies, manager or employee shall work, within their own field of competence, to ensure the operational events are properly and timely recorded in the accounting books.

It is forbidden to behave in a way that may adversely affect the transparency and traceability of the information within financial statements.

For each transaction, the proper supporting evidence shall be stored to allow:

- easy and timely accounting entries;
- identification of different levels of responsibility, as well as of task distribution and segregation;
- accurate representation of the transaction also to avoid the probability of material or interpretative errors.

Each record shall reflect exactly what is shown by the supporting evidence. All Saipem People shall ensure that the documentation can be easily traced and filed according to logical criteria.

Saipem People who become aware of any omissions, forgery, negligence in accounting or in the documents on which accounting is based, shall bring the facts to the attention of their direct superior, or to the body they belong to, and to the Guarantor.

3.2. Health, safety, environment and public safety protection

Saipem's activities shall be carried out in compliance with applicable worker health and safety, environmental and public safety protection agreements, international standards and laws, regulations, administrative practices and national policies of the Countries where it operates.

Saipem actively contributes as appropriate to the promotion of scientific and technological development aimed at protecting the environment and natural resources. The operative management of such activities shall be carried out according to advanced criteria for the protection of the environment and energy efficiency, with the aim of creating better working conditions and protecting the health and safety of employees as well as the environment.

Within their areas of responsibility, Saipem People shall actively participate in the process of risk prevention, environmental protection, public safety and health protection for themselves and for their colleagues and third parties.

3.3. Research, innovation and intellectual property protection

Saipem promotes research and innovation activities by management and employees, within their functions and responsibilities. The intellectual assets generated by such activities are an important and fundamental heritage of Saipem.

Research and innovation focus in particular on the promotion of goods, instruments, processes and behaviours supporting energy efficiency, reduction of environmental impact, attention to health and safety of employees, clients and local communities where Saipem operates, and in general sustainability of business activities.

Within their functions and responsibilities, Saipem People shall actively contribute to managing intellectual property in order to allow for its development, protection and enhancement.

3.4. Confidentiality

3.4.1. Protection of business secrets

Saipem's activities constantly require the acquisition, storage, processing, communication and dissemination of information, documents and other data regarding negotiations, administrative proceedings, financial transactions, and know-how (contracts, deeds, reports, notes, studies, drawings, pictures, software, etc.) that may not be disclosed to outside the company pursuant to contractual agreements, or whose inopportune or untimely disclosure may be detrimental to the interest of the company.

Without prejudice to the transparency of the activities carried out and to the information obligations imposed by the provisions in force, Saipem People shall ensure the confidentiality required by the circumstances for each piece of information they have acquired because of their tasks.

All information, knowledge and data acquired or processed during working activities or because of tasks at Saipem belong to Saipem, and may not be used, shared or disclosed without specific authorization of the direct superior in compliance with the specific regulatory documents.

3.4.2. Protection of privacy

Saipem is committed to protecting the information on Saipem People and third parties,

generated or obtained inside Saipem or in the conduct of Saipem's business, and to avoiding improper use of such information.

Saipem guarantees that the processing of personal data within its structures respects fundamental rights and freedoms, as well as the dignity of the parties concerned, as provided for by the legal provisions in force.

Personal data shall be processed in a lawful and fair way and, in any case, the data collected and stored is only what is necessary for certain, explicit and lawful purposes. Data shall be stored for a period of time no longer than necessary for the purposes of collection.

Saipem shall also adopt suitable preventive safety measures for all databases that store and keep personal data, to avoid any risks of destruction and losses or unauthorized access or processing without consent.
Saipem's People shall:

- obtain and process only data that are necessary and suited to the aims of their work and responsibilities;
- obtain and process such data only in compliance with what is defined in the specific regulatory documents, and store said data in a way that prevents unauthorized parties from having access to it;
- represent and order data in a way to ensure that any party with access authorization may easily get an outline thereof which is as accurate, exhaustive and truthful as possible;
- disclose such data in compliance with what is defined in the specific regulatory documents or subject to the express authorization by their direct superior and, in any case, only after having checked that such data may be disclosed, also making reference to absolute or relative constraints concerning third parties bound to Saipem by a relation of whatever nature and, if applicable, after having obtained their consent.

3.4.3. Membership in associations, participation in initiatives, events or external meetings

Membership in associations, participation in initiatives, events or external meetings is supported by Saipem if compatible with the working or professional activity provided. Membership and participation considered as such are:

- membership in associations, participation in conferences, workshops, seminars, courses;
- drawing up of articles, papers and publications in general;
- participation in public events in general.

In this regard, Saipem's management and employees in charge of explaining, or disclosing data or information on Saipem's objectives, aims, performance and opinions, shall not only comply with the regulatory documents on market abuse, but also obtain the necessary authorization from their direct superior for the lines of action to be followed and the texts and reports drawn up, as well as to agree on contents with the competent Saipem structure.

4. Scope of application and reference structures for Code of Ethics

The principles and contents of the Code apply to Saipem People and activities.

The representatives indicated by Saipem in the company bodies of partially owned companies, in consortia and in joint ventures promote the principles and contents of the Code within their own respective fields of competence.

Directors and managers shall be the first to implement the principles and contents of the Code, assuming responsibility for them both inside and outside the company and enhancing trust, cohesion and team spirit. They shall also provide, with their behaviour, an example for their subordinates, to induce them to comply with the Code and make questions and suggestions on specific provisions.

To achieve full compliance with the Code, anyone of Saipem People may apply, even directly, to the Guarantor.

4.1. Obligation to know the Code and to report any violation thereof

The Code is made available to all employees on the company Intranet and on the Document Management System and to all users - not just Saipem's employees - on the Company's website.

All Saipem People are expected to know the principles and contents of the Code as well as the reference regulatory documents governing their own functions and responsibilities.

All Saipem People shall:

- refrain from any conduct contrary to such principles, contents and regulatory documents;
- carefully select, as long as within their field of competence, their collaborators and ensure they fully comply with the Code;
- require any third parties in a business relationship with Saipem to confirm that they are aware of the Code;

- immediately report to their direct superior or to the body they belong to, and to the Guarantor, any observations of theirs or information supplied by Stakeholders concerning potential violations or requests of violations of the Code; reports of potential violations shall be forwarded according to the procedures specified in the specific regulatory documents by the Audit and Risk Committee, the Board of Statutory Auditors and the Compliance Committee of Saipem SpA;
- cooperate with the Guarantor and with the functions entrusted by the applicable regulatory documents to establish potential violations;
- adopt prompt corrective measures whenever necessary and, in any case, prevent any type of retaliation.

Saipem People are not allowed to conduct personal investigations, nor to exchange information, except to their direct superiors, or to their structure, and to the Guarantor. If, after notifying a supposed violation, any of Saipem People feels that he or she has been subject to retaliation, then he or she may directly apply to the Guarantor.

4.2. Reference structures and supervision

Saipem is committed to ensuring, also by appointing the Guarantor:

- the widest dissemination of the principles and contents of the Code among Saipem People and the other Stakeholders, providing all possible tools to understand and clarify the interpretation and implementation of the Code, as well as to update the Code as required to meet the evolving civil sensitivities and relevant laws;
- the assessment concerning any notice of violation of the principles and contents of the Code or the reference regulatory documents; an objective evaluation of the facts and, if necessary, the adoption of appropriate disciplinary measures; that no one may suffer any retaliation whatsoever for having provided information on potential violations of the Code or of relevant regulatory documents.

4.2.1. Guarantor of the Code of Ethics

The Code of Ethics is, among other things, a general, mandatory principle of the organisation, management and control Model adopted by Saipem SpA according to the Italian provision on the administrative liability of legal entities deriving from offences contained in Legislative Decree No. 231, June 8, 2001.

Saipem SpA assigns the functions of Guarantor to the Compliance Committee established pursuant to said Model. Each direct or indirect subsidiary, in Italy and abroad, entrusts the function of Guarantor to its own compliance committee or other

equivalent body by formal deed of the competent company body.

The Guarantor is entrusted with the task of:

- promoting the implementation of the Code and the issue of reference regulatory documents; reporting and proposing to the Chief Executive Officer of the company initiatives useful for a greater dissemination and knowledge of the Code, also in order to prevent any recurrences of ascertained violations;
- promoting specific communication and training programs for Saipem's management and employees;
- investigating reports of potential violation of the Code by initiating appropriate investigations; taking action, also at the request of Saipem People if it is reported that violations of the Code have not been properly dealt with or that there have been retaliations against the person who reports the violation;
- notifying the relevant structures of the results of investigations for the adoption of possible penalties; informing the competent of the results of investigations for the adoption of the necessary measures.

Moreover, the Guarantor of Saipem SpA submits to the Audit and Risk Committee and to the Board of Statutory Auditors of Saipem SpA as well as to the Chairman and to the Chief Executive Officer of Saipem SpA, which inform the Board of Directors of Saipem SpA, a half-yearly report on the implementation and possible need for updating the Code.

For the performance of its tasks, the Guarantor of Saipem SpA avails itself of the "Technical Secretariat of the Compliance Committee 231 of Saipem SpA", constituted to its hierarchical dependency. The Technical Secretariat is also responsible for starting and maintaining an adequate reporting and communication flow to and from the Guarantors of the subsidiaries.

In order to facilitate the reporting flow, Saipem has set up specific channels of communication indicated in the Procedure "Reports, also anonymous, received by Saipem SpA and its Subsidiaries in Italy and abroad" published on Saipem's Intranet and Internet websites and accessible to all Saipem People and to all users of the website.

Saipem SpA has also set up "dedicated channels" of the Compliance Committee to encourage the notification flow of reports:

organismodivigilanza@saipem.com.

4.2.2. Code Promotion Team

In order to promote the knowledge and facilitate the implementation of the Code, a Code Promotion Team reporting to the Guarantor of Saipem SpA has been established. The Team makes available within Saipem all possible instruments for understanding and clarifying the interpretation and the implementation of the Code.

The members of the Team are appointed by the Chief Executive Officer of Saipem SpA upon proposal of the Guarantor of Saipem SpA.

4.3. Code review

The review of the Code is approved by the Board of Directors of Saipem SpA.

The proposal is made taking into consideration the Stakeholders' evaluation with reference to the principles and contents of the Code, promoting their active contribution and the notification of any deficiency.

4.4. Contractual value of the Code

Respect of the Code's rules is an essential part of the contractual obligations of all Saipem People pursuant to and in accordance with applicable law.

The violation of the Code's principles and contents may constitute a breach of the primary obligations of the employment relationship or a disciplinary offense, with all legal consequences also in relation to the preservation of the employment relationship, and lead to compensation for damages deriving from the same.

ANNEX 1

Offences resulting in administrative liability of legal entities pursuant to Legislative Decree No. 231/2001[1]

(i) OFFENCES AGAINST THE PUBLIC ADMINISTRATION (ARTICLES 24 AND 25 OF LEGISLATIVE DECREE NO. 231/2001)

Misappropriation of public disbursements (art. 316-*bis* Italian criminal code (hereinafter, "c.p.")

It consists in the conduct of anyone, extraneous to the Public Administration, who having obtained grants, subsidies or funding from the State or another public body or the European Communities, does not allocate them to the prescribed purposes.

Undue receipt of public disbursements (art. 316-*ter* c.p.)

It consists in the conduct of anyone who, by means of the use or submission of statements or documents which are false or attest untrue circumstances, or by means of omitting to provide due information, unlawfully obtains for himself or for others, grants funding, grants, subsidized loans or other disbursements of the same type, granted or allocated by the State, other public bodies or the European Communities.
The penalty is aggravated if the offense is committed by a public official or a person in charge of a public service with abuse of his or her role and powers. And if the offense offends the financial interests of the European Union and the damage or profit is over 100,000 euros.

Aggravated fraud to the detriment of the State or another public body (art. 640, paragraph 2, no. 1, c.p.)

It consists in the conduct of anyone who, with artifices or deceptions, by misleading someone, secures for himself/herself or others an unlawful advantage to the detriment of the State or another public body or the European Union.

Aggravated fraud for the obtainment of state disbursements (art. 640-*bis* c.p.)

It is an aggravating factor of the offence of fraud pursuant to art. 640 c.p., which has as object the obtainment of public disbursements.

[1] In this document, the crimes, as under Art. 12, Law No. 9/2013 , are not included since they are offences pursuant to Legislative Decree No. 231/2001 for legal entities that operate in the fields of production of virgin oilve oils.

Computer fraud (art. 640-*ter* c.p.)

It consists in the conduct of anyone who, by altering in any way the functioning of an information technology or telematics system, or by interfering without the right to do so in any way on data, information or computer program contained in an information technology or telematics system or pertinent thereto, secures for himself/herself or others an unlawful advantage to the detriment of others.

The offense constitutes a predicate offense of the liability of entities in two of the aggravated **cases** provided for in the second paragraph:

- pursuant to Article 24 first paragraph of Legislative Decree 231/2001, if committed to the detriment of the State or other public body or the European Union;
- pursuant to Article 25-octies.1, paragraph 1, letter b), if the event produces a transfer of money, monetary value or virtual currency.

The second and third paragraphs also provide for other aggravated cases.

"Extortion" (art. 317 c.p.)

It is a crime that can only be committed by a public official or a person entrusted with a public service, who, by abusing its position or its powers, forces someone to give or promise unlawfully, to him/her or to a third party, money or other benefits.

Fraud in public supplies (art. 356 c.p.)

The criminal offense consists of committing fraud in public supply contracts, in executing supply contracts or fulfilling the other contractual obligations indicated in article 355 (Non-fulfillment of public supply contracts).

Fraud against the European Agricultural Fund (art. 2. L. 23/12/1986, n.898)

The offense in question is constituted the conduct of anyone who, through the display of false data or information, unduly obtains, for himself or for others, aids, bonuses, indemnities, refunds, contributions or other total or partial payments from the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development.

For the purposes of the provision of article 2 subsection 1 and that of article 3 subsection 1 of Law 23/12/1986, n. 898, the payments made by the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development include the national quotas established by European Union legislation in addition to the sums to be borne by the Funds, as well as disbursements made entirely by national finance on the basis of European Union legislation.

Bribery:

- **Art. 318 c.p. (Bribery for the exercise of a function** – ***Improper bribery*****)**

- **Art. 319 c.p. (Bribery for obtaining an act contrary to office duties –** ***Proper bribery*****)**

- **Art. 319-*bis* c.p. (Aggravating circumstances)**

- **Art. 320 c.p. (Bribery of person entrusted with a public service)**

The typical conduct of the crime of bribery occurs when someone, acting in the capacity of public official (or the person in charge of a public service) unduly receives money or other benefit, or accepts the promise of money or other benefit for the execution of his/her function, in order to carry out, omit or delay or because he/she has carried out, omitted or delayed an act of his/her office or an act conflicting with his/her office duties.

- **Art. 321 c.p. (Penalties for the briber)**

- **Art. 322 c.p. (Instigation to bribery)**

The penalties specifically set forth in articles 321 and 322, paragraphs 1 and 2 c.p., apply either in case the bribery has been actually carried out through the promise or the offer of money or another benefit to a public official or person entrusted with a public service, or in case the crime is only attempted, since such a promise or offer of money or another benefit has not been accepted by the public official or by the person entrusted with a public service.

- **Bribery in judicial actions (Art. 319-*ter* c.p.)**

It consists in the corruptive behaviour carried out in order to the favour or damage a party in a civil, criminal or administrative legal proceeding.

- **Undue inducement to give or promise benefit (art. 319-*quater* c.p.)**

The law penalizes the conduct of public officials or public servant who, abusing their position or powers, induces others to give or promise money or other benefits to him or others.
According to the second paragraph, he who is induced to giving or promising money or other benefits is also penalized.

- **Embezzlement, *extortion*, undue inducement to give or promise benefit and bribery and instigation to bribery, abuse of office of members of the International Courts, the European Communities bodies or international parliamentary assemblies or international organizations and officials of the European Communities and of foreign States (art. 322-*bis* c.p.)**

The provisions set forth in articles 314, 316, from 317 through 320, 322, third and fourth paragraph and 323 also apply to:

1) members of the European Community Commission, of the European Parliament, of the Court of Justice and of the Audit Court of European Communities;

2) officers and agents employed by contract according to the articles of association of officers of European Communities or the contract applicable to agents in European Communities;

3) the individuals ordered by Member States or by any public or private institution with the European Communities, performing functions of officers or agents in European Communities;

4) members and officers in charge of institutions established on the basis of Treaties signedby European Communities;

5) within other Member States of the European Union, those who perform functions or activities corresponding to those of public officers and officers in charge of public services;

5-bis) judges, attorneys, deputy attorneys, officers and agents of the International Criminal Court, individuals appointed by member States of the Treaty of the International Criminal Court performing functions corresponding to those of officers or agents of the Court, members and officers in charge of institutions established on the basis of the Treaty establishing the International Criminal Court.

5-ter) individuals performing functions or activities corresponding to those of public officers and officers in charge of a public service within international public organizations;

5-quater) members of International Parliament Assemblies or of an international or supranatural organization and judges and officers of international courts.

5-quinquies) individuals performing functions or activities corresponding to those of public officers and officers in charge of public services within States not pertaining to the European Union, when the offence concerns the Union's financial interests.

The provisions set forth in articles 319-*quater*, paragraph 2, 321 and 322. paragraphs 1 and 2, c.p., shall also apply to those who give, offer or promise money.
1) to the individuals as of points 1) through 5 quinquies) listed above;

2) to individuals performing functions or activities corresponding to those of public officers and officers in charge of a public service within other foreign states or international public organizations.

Illicit influences peddling (art. 346- bis c.p.)

It consists in the conduct of anyone who, besides the cases of complicity in corruption offences, unlawfully makes others give or promise money or other benefit, to him/herself or others, as price for his/her illicit mediation with a public official or a person entrusted with a public service or other persons as identified by article 322-bis c.p., or in order to remunerate him/her with respect to the exercise of his/her functions or powers (art. 346-bis, first paragraph, c.p.), by exploiting or alleged existent or claimed relationships with a public official or a person entrusted with a public service or other persons as identified by article 322-bis c.p.

The person who unlawfully gives or promises money or other benefit to the aforementioned mediator shall also be penalized (art. 346-bis, second paragraph, c.p.).

Embezzlement (limited to the first subsection) (art. 314 c.p.)

The offense occurs in the case that the public official or person in charge of a public service appropriates money or property belonging to others, having possession of them for reason of his office or service.

Embezzlement by profit from the error of others (art. 316 c.p.)

The offense occurs in the case that the public official or person in charge of a public service, in the exercise of his functions or service, unduly receives or holds money or other benefits, for himself or for a third party, by taking advantage of the error of others.

The penalty is increased when the offense violates the financial interests of the European Union and the damage or profit exceeds € 100,000.

Abuse of office (art. 323 c.p.)

The offense occurs in the case that the public official or the person in charge of a public service, in carrying out his duties or service, intentionally procures an unfair financial advantage for himself or others or causes unjust damage to others, in violation of specific rules of conduct expressly provided for by law, or by acts having the force of law, and from which there are no margins of discretion, or by failing to abstain from abuse of office in light of his own interest or that of a close relative or in other prescribed cases.

The penalty established is increased in cases where the advantage or damage is of significant gravity.

Disturbed freedom of auctions (art. 353 c.p.)

Whoever, with violence or threat, or with gifts, promises, collusions or other fraudulent means, prevents or disturbs the competition in public auctions or in private tenders on behalf of public Administrations, or drives away the bidders, is punished with imprisonment from six months to five years and with a fine from one thousand to ten thousand lire.
If the culprit is a person appointed by law or by authority to the auctions or tenders mentioned above, the imprisonment is from one to five years and the fine is from five thousand to twenty thousand lire.
The penalties specified in this article also apply in the case of private tenders on behalf of private individuals, directed by a public official or by a legally authorized person; but they are reduced by half.

Disturbed freedom of the contractor selection process (Art. 353-bis c.p.)

Unless the fact constitutes a more serious crime, anyone with violence or threat, or with gifts, promises, collusions 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 selecting the contractor by the public administration is punished with imprisonment from six months to five years and with a fine from 103 euros to 1,032 euros.

(ii) COMPUTER CRIMES AND UNLAWFUL DATA PROCESSING (ART. 24-BIS OF LEGISLATIVE DECREE NO. 231/2001)

Counterfeiting of public computer documents having evidential effectiveness (art. 491-*bis* c.p.)

In case one of the falsehoods provided in Book II, Title VII, Chapter III of the Italian criminal code[2] refers to a public computer document which has evidential effectiveness, the provisions provided in such Chapter regarding public deeds shall apply.

Unauthorized access to an information technology or telematics system (art. 615-*ter* c.p.)

This provision penalizes the conduct of anyone who illegally enters in an information technology or telematics system protected by security measures, or stays in it against the expressed or tacit will of a person who has the right to exclude him/her.

The second and third paragraph establish aggravating circumstances for determining an increase in the penalty and admissibility.

Unauthorized possession, disclosure and installation of equipment, codes and other access methods to information technology or telematics systems (art. 615-*quater* c.p.)

[2] Material falsity committed by a public official in public acts; material falsity committed by a public official in certificates or administrative authorizations; material falsity committed by a public official in authentic copies of public or private acts and in certificates of the content of acts; ideological falsity committed by a public official in public acts; ideological falsity committed by a public official in certificates or administrative authorizations; ideological falsity in certificates committed by persons exercising a service of public need; material falsity committed by a private individual; ideological falsity committed by a private individual in a public act; falsity in registrations and notifications; falsity in a signed blank sheet – private act; falsity in a signed blank sheet – public act; use of a false act; suppression, destruction and concealment of true acts; falsity of holographic will, bill of exchange or credit instruments; authentic copies that take place of missing originals; falsities committed by public employees in charge of a public service; misrepresentation or false declaration to a public official about the identity or personal qualities of himself/herself or others; misrepresentation or false declaration to the certifier of electronic signature about the own identity or personal qualities or those ones of others; fraudulent alterations to prevent the identification or verification of personal qualities; false declarations related to the own identity or personal qualities or those ones of others; fraud in obtaining certificates from the court records and misuse of such certificates; possession and elaboration of false identification documents; possession of forged distinguishing marks; misappropriation of rights or honors.

The offence penalizes the conduct of anyone who unlawfully obtains, retains, produces, duplicates, discloses, communicates,r imports, delivers, or otherwise makes available to others or installs apparatus, equipment, parts of apparatus or equipment, codes, key words or other means appropriate for accessing an information technology or telematics system protected by security measures, or in any case, provides indications or instructions aimed to this effect, for the purpose of obtaining an advantage for himself/herself or others or causing damage to others.
The penalty is increased in the aggravated cases provided for in the second paragraph (which refers to the circumstances referred to in paragraph 1 and 2 of article 617 quater).

Possession, diffusion and unauthorized installation of equipment, devices or information technology computer program aimed at damaging or shutting down an information technology or telematics system (art. 615-*quinquies* c.p.)

The offence is committed when anyone, in order to unlawfully damage an information technology or telematics system, the information, data or computer programs contained therein or related to it, or to promote disruption, wholly or partially, or the alteration to its functioning, unlawfully obtains, possesses, produces, duplicates, imports, discloses, communicates, delivers, or in any case otherwise makes available to others or installs equipment, devices or computer programs.

Wiretapping, hindrance or unlawful disruption of information technology or telematics communications (art. 617-*quater* c.p.)

The offence is committed when anyone (i) fraudulently wiretaps communications related to an information technology or telematics system or existing between several systems, hinders or disrupts them, or (ii) reveals the content of these communications to the public, wholly or partially, by way of any means of information.
The penalty is increased and court appointed in aggravated cases of the fourth paragraph.

Possession, diffusion and unauthrized installation of equipment and other tools able to wiretap, hinder or shut down information technology or telematics communications (art. 617-*quinquies* c.p.)

The offence is committed when anyone, except for the cases allowed by law, for the purposes of wiretapping communications regarding an information or telematic system or shared among various systems, or to prevent or interrupt such communications, either obtains, possesses, produces, reproduces, discloses, imports, communicates, delivers, makes otherwise available to others or installs equipment, programs, codes, keywords and other means capable of wiretapping, hindering or shutting down communications related to an information technology or telematics system, or communications existing between several systems.
The penalty is increased in aggravated cases of the fourth paragraph of article 617 quater.

Damaging of information, data and computer programs (art. 635-*bis* c.p.)

The offence is committed when anyone destroys, damages, deletes, alters or suppresses information, data or computer programs of others.
The penalty is increased if the aggravated offense of the second paragraph occurs.

Damaging of information, data and computer programs used by the State or another public body, or in any case, of public interest (art. 635-*ter* c.p.)

The offence is committed when anyone commits an act aimed at destroying, damaging, deleting, altering or suppressing information, data or computer programs used by the State or another public body or related to them, or in any case of public interest.
The second and third paragraphs provide for aggravated offenses.

Damaging of information technology or telematics systems (art.635-*quater* c.p.)

The offence is committed when a person, by means of the behaviour as of article 635-*bis* c.p. or through the introduction or the transmission of data, information or computer programs, destroys, damages, or wholly or partially renders the information technology or telematics systems of others useless or seriously impedes their functioning.
The second paragraph provides for aggravated cases.

Damaging of information technology or data transmission systems of public interest (art. 635-*quinquies* c.p.)

When damaging of information technology or telematics systems is aimed at destroying, damaging, wholly or partially rendering information technology or telematics systems of public interest useless or seriously impeding their functioning. The penalty is imprisonment, from one up to four years. If such conduct causes destroying, damaging, wholly or partially rendering information technology or telematics systems of public interest useless or seriously impeding their functioning, the penalty is significantly increased.
The third paragraph provides for additional aggravating circumstances.

Computer fraud carried out by a person providing electronic signature certification services (art. 640-*quinquies* c.p.)

It consists in the conduct of a person providing electronic signature certification services who, in order to obtain unlawful profit for himself/herself or others or to cause damages to others, breaches obligations provided by the law for the issuance of qualified certificate.

Obligations deriving from the establishment of the national cyber perimeter security (article 1, par. 11, Decree-Law No.105 dated 21st September 2019 converted into law n. 133 November 18 2019)

It penalizes anyone that with the aim of impeding or influencing the carrying out of the proceedings, provided at paragraph 2, letter b) or paragraph 6, letter a), or the inspection and supervision activities foreseen at paragraph 6, letter c) of the same decree, gives information, data or factual elements that are not true, relevant for the drafting and updating of the lists as under paragraph 2, letter b), or for the communications provided at para 6, letter a), or for the performance of inspection and supervision activities foreseen at para 6, letter c) or omits to communicate data, information or factual elements within the stated deadlines.

(iii) ORGANIZED CRIME (ART. 24-TER OF LEGISLATIVE DECREE NO. 231/2001)

Criminal association (art. 416 c.p.)

The provision penalizes those who participate, promote, constitute or organize an association dedicated to committing offences (paragraph 1) and participating in said association (paragraph 2). The criminal association offence occurs only if at least three or more persons participate to the association.

Criminal association (art. 416, paragraph 6, c.p.)

Paragraph 6 of article 416 c.p. sets forth a more severe punishment regime in case the association is aimed at committing offences of "*reduction to or maintenance in a state of slavery or servitude*" (art. 600 c.p.), "*human trafficking*" (art. 601 c.p.), "*trafficking of organs taken from living person"* (art. 601-*bis* c.p.), "*sale and purchase of slaves*" (art. 602 c.p.), as well as at the infringement of "*provisions concerning the discipline of immigration and new rules on the condition of foreigner*" (article 12, paragraph 3-*bis,* Legislative Decree no. 286/1998) and of articles 22, paragraphs 3 and 4, and 22-*bis*, paragraph 1, of Law no. 91 of April 1, 1999, referred to transplantation of organs and tissues.

In this respect, art. 24-*ter* of Legislative Decree No. 231/2001, in line with the above paragraph, provides for monetary sanctions of higher amount if top-level management or individuals subject to the direction or supervision of top-level management commit, in the interest or advantage of the legal entity, one of the offences expressly referred in article 416, paragraph 6, c.p.

Mafia-type association, including foreign ones (art. 416-*bis* c.p.)

It punishes anyone who is part to a Mafia-type association made up of three or more persons, as well as those who promote, lead or organize it. An association can be labelled as a mafia-type association when members make use of the intimidating power of the association's bond and of the

subjugation condition and of the code of silence deriving from that, for the perpetuation of crimes to directly or indirectly acquire the management or control of economic activities, concessions, authorizations, contracts and public services, or to obtain unjust profits or advantages for themselves or for others, or to prevent or hinder free exercise of the voting right, or to procure votes for themselves or for others during elections.

Moreover, the Law punishes anyone who promotes, manages or organises the association.

Mafia political election exchange (art. 416-ter c.p.)

It punishes those who accept, either directly or through third parties, the promise to procure election votes by individuals pertaining to the associations as of article 416 bis or through the modalities provided in art. 416-*bis* c.p., in exchange for money or another benefit or the promise thereof or in exchange with the availability to satisfy the interests and requirements of the mafia association.
The same penalty applies to those who promise, either directly or through third parties, to procure votes in the same instances mentioned in the preceding paragraph.
An aggravating circumstance applies for those who are elected as a result of the agreement illustrated in the first paragraph, after accepting the promise of votes.

Kidnapping of persons for the purpose of robbery or extortion (art. 630 c.p.)

It consists in the conduct of anyone who kidnaps another person to obtain, for himself or for others, the payment of an amount for his/her liberation as unlawful income.

Association for the illicit traffic of narcotic drugs or psychotropic substances (art. 74 Presidential Decree ("DPR") No. 309 of 1990)

It consists in participating in, on one hand, and promoting, constituting, leading, organizing and financing, on the other hand, an association having the purpose of perpetrating a series of offences provided by art. 73 of the DPR 309 of 1990 (*i.e.* production, trafficking and detention of illegal narcotic drugs or psychotropic substances).

Such offence occurs if the association is composed by at least three persons.

Illegal manufacture, introduction in the State, sale, transfer, possession and carrying in a public place or a place open to the public of war weapons or similar or parts thereof, explosives, clandestine weapons as well as common fire weapons except those provided for in article 2, paragraph 3, Law dated 18 April 1975, No.110 (art. 407, par. 2, lett. a), number 5), c.p.p. – Code of Criminal Proceedings)

The circumstances incriminate all those who without a license issued by an authority, manufacture or introduce in the State, sell, transfer or carry in a public or open place, for any reason, war weapons or similar weapons or parts thereof suitable for the purpose, war ammunitions, all explosives,

chemical substances or other explosive devices. The article also incriminates those who, without license or authority, train or give instructions to third parties on the use illustrated above.

(iv) MONEY FORGERY, PUBLIC CREDIT CARDS, REVENUE STAMPS AND IDENTIFICATION INSTRUMENTS OR SIGNS OF RECOGNITION (ART. 25-BIS OF LEGISLATIVE DECREE NO. 231/2001)

Money forgery, spending and introduction into the State, with prior agreement, of forged money (art. 453 c.p.)

It penalizes who: (i) commits forgeries of national or foreign legal tender money: (ii) alters in any way true money in order to give them the appearance of having higher value; (iii) without taking part to the forgery or alteration, but in agreement with the maker or of an intermediary, introduces into the State territory, or holds or spends or circulates forged or altered money; (iv) acquires or, in any case, receives from the forger, or from an intermediary, forged or altered money in order to circulate them. (v) legally authorized to relevant production, improperly fabricates, abusing the instruments or materials in its availability, quantities of money in excess with respect of stated regulations.

Money alteration (art. 454 c.p.)

It consists in the conduct of anyone who alters the quality of the money, as prescribed in art. 453 c.p., decreasing its value or, in regards to forged or altered money, commits the acts indicated at points (iii) and (iv) of art. 453 c.p. above.

Spending and introduction into the state, without prior agreement, of forged money (art. 455 c.p.)

It penalizes who, except the cases contemplated in art. 453 and 454 c.p., introduces into the territory of the State, acquires or holds forged or altered money, in order to circulate them, or spends or circulates them.

Spending of forged money received in good faith (art. 457 c.p.)

It consists in the conduct of a person who spends or circulates forged or altered money received in good faith. It is important to identify the moment when the person has become aware that the money has been forged. The mere possession of forged or altered money, acquired in good faith, does not constitute such offence, save for the case in which it is proven the purpose of the spending and circulation of such forged money.

Revenue stamps falsification, introduction into the State, purchase, holding and circulation of counterfeited revenue stamps (art. 459 c.p.)

Provisions set forth in articles 453, 455 and 457 c.p. apply also to the forgery or alteration of revenue stamps and their introduction into the territory of the State, or to the purchase, holding and circulation of counterfeited revenue stamps. For the purposes of criminal law, "*revenue stamps*" are stamp-impressed paper, revenue stamps, stamps and other equivalent instruments as under special laws.

Counterfeiting watermarked paper in use to fabricate public credit cards or revenue stamps (art. 460 c.p.)

It consists in the counterfeiting of watermarked paper in use to fabricate public credit cards or revenue stamps, or the purchase, possession and sale thereof.

Fabrication or possession of watermarks or instruments to be used in the forgery of money, revenue stamps or watermarked paper (art. 461 c.p.)

It penalizes the fabrication, purchase, possession or sale of watermarks, computer programs and data or instruments to be used in counterfeiting or alteration of money, revenue stamps or watermarked paper.

Use of counterfeited or altered revenue stamps (art. 464 c.p.)

It consists in the conduct of a person who has not participated in the counterfeit or alteration of revenue stamps, and, once he/she has received them, being aware of their counterfeit, he/she uses such counterfeited revenue stamps.

Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and drawings (art. 473 c.p.)

It consists in the conduct of anyone who, while being in the position to be aware of the existence of an industrial property title, counterfeits or alters trademarks or distinctive signs, whether domestic or foreign, of industrial products, or without concurring in the counterfeiting or alteration, makes use of such counterfeited or altered trademarks.

Introduction into the State and trade of products with counterfeited signs (art. 474 c.p.)

It penalizes anyone who introduces into the State territory, in order to make profit, industrial products with counterfeited or altered domestic or foreign trademarks or other counterfeited signs; Moreover, it is penalized anyone who holds for sale, sells or otherwise circulates such industrial products with counterfeited or altered domestic or foreign trademarks or signs, in order to make profit.

(v) CRIMES AGAINST INDUSTRY AND TRADING (ART. 25-BIS.1 OF LEGISLATIVE DECREE NO. 231/2001)

Interference with the freedom of industry or trade (art. 513 c.p.)

It consists in the conduct of anyone who uses violence on things or fraudulent means to prevent or interfere with the exercise of an industry or a trade.

Unlawful competition with threats or violence (art. 513-*bis* c.p.)

It consists in the conduct of anyone who engages in unlawful competition with threats or violence while performing industrial, trade or productive activities.

Fraud against national industries (art. 514 c.p.)

It penalizes the sale or circulation into national or foreign markets of industrial products, having denominations, trademarks, distinctive signs which are counterfeited or altered, causing a damage to the national industry.

Fraud in trading (art. 515 c.p.)

It penalizes anyone who, while engaging in a trade activity or in a shop open to the public, delivers to the purchaser a movable thing for another, or a movable thing different from the one that stated or agreed in terms of its origin, source, quality or quantity.

Sale of non-genuine food substances as genuine food (art. 516 c.p.)

It penalizes whoever sales or puts into the market non-genuine food substances as genuine food.

Sale of industrial products with mendacious marks (art. 517 c.p.)

It penalizes whoever offers for sale or otherwise places into circulation intellectual property or industrial products with domestic or foreign names, trademarks or distinctive marks able to mislead the buyer regarding the origin, source or quality of the work or the product.

Manufacture and trade of goods made by misappropriating industrial property titles (art. 517-*ter* c.p.)

It penalizes whoever, being in the position to be aware of the existence of a title of industrial property, manufactures or industrially uses things or other goods realized by misappropriating an industrial property title or in violation thereof. Moreover, as under art. 517-*ter* c.p, it penalizes whoever, in order to make profit, introduces into the State territory, holds for sale, offers for sale directly to consumers

or, in any case, circulates things or other goods carried out by misappropriating a valid industrial property title or violating it.

Counterfeiting of geographic indications or designation of origin of agro-food products (art. 517-*quater* c.p.)

It consists in the conduct of counterfeiting or altering the geographic indications or designation of origin of agro-food products.
Moreover, pursuant to art. 517-*quater* c.p., it is penalized anyone who introduces into the State territory, sells, offers for sale to consumers or otherwise places into circulation such products in order to make profit from this.

(vi) CORPORATE CRIMES (ART. 25-TER OF LEGISLATIVE DECREE NO. 231/2001)

False corporate communications (art. 2621 of Italian civil code (hereinafter, "c.c."))

It is represented by the conduct of directors, general managers, executives in charge of the drafting of corporate accounting documents, statutory auditors and liquidators who in order to make an unfair profit for themselves or others, in the financial statements, in the reports and in other corporate communications sent to shareholders or the public, as provided by law, knowingly present relevant material facts that are untrue or omit relevant material facts, whose disclosure is required by law on the economic, asset or financial situation of the company or the group to which it belongs, in a way to mislead third parties.

Minor false corporate communications (art. 2621-*bis* c.c.)

It is represented by the conduct of those who commit the acts provided by art. 2621 c.c. to a slight degree, taking into account the nature and size of the company and the manner or effects of the conduct. Moreover, the penalty is decreased if the facts referred in art. 2621 c.c. are relevant to companies that do not exceed the limits indicated in paragraph 2 of art. 1 or the Royal Decree 16 March 1942, no. 267 (*i.e.* in the previous three financial years, the company had an asset corresponding to an annual total amount not exceeding three-hundred thousand euros, had obtained, in the three previous exercises, gross revenues for an amount not exceeding two-hundred thousand euros, and had debts, even not overdue, not exceeding five-hundred thousand euros).

False corporate communication of listed companies (art. 2622 c.c.)

It is represented by the conduct of directors, general managers, executives in charge of the drafting of corporate accounting documents, statutory auditors and liquidators of listed companies in the Italian Stock Exchange market or of another UE Country who, in order to make an unfair profit for themselves or others, in the financial statements, in the reports and in other corporate communications sent to shareholders or the public, knowingly present material facts that are untrue

or omit relevant material facts, whose disclosure is required by law on the economic, asset or financial situation of the company or the group to which they belong, in such a way as to mislead third parties on the aforementioned situation.

Other companies equivalent to the ones above are:

1) Companies issuing financial instruments for which a request to be admitted to negotiation in the regulated market of Italy or of another UE Country has been submitted;
2) Companies issuing financial instruments admitted to negotiation in an Italian multilateral negotiation system;
3) Controlling companies of listed companies admitted to negotiation in the regulated market of Italy or of another UE Country;
4) Companies which publicly collect and/or manage savings.

Prevented control (art. 2625, paragraph 2, c.c.)

It consists in the conduct of directors who, by concealing documents or with other appropriate artifices, prevent or in all cases impede the carrying out of the control activities legally assigned to the shareholders or other corporate bodies with an administrative sanction. If the conduct has caused damage to the shareholders, a criminal sanction is applied and the case in question constitutes a predicate offense pursuant to Article 25 ter paragraph 1, lett. h of Legislative Decree 231/2001.

Unlawful repayment of contributions (art. 2626 c.c.)

It consists in the conduct of directors who, except for cases of legitimate reduction of corporate capital, repay, also through simulation, contributions to the shareholders or release them from the obligation to contribute.

Illegal distribution of profits and reserves (art. 2627 c.c.)

It consists in the conduct of directors who distribute profits or advance payments regarding profits not effectively earned or which are allocated by law to a reserve, or who distribute reserves, including when not formed with profits, which cannot be distributed by law.

The return of the profits or the reconstitution of reserves before the term of the approval of financial statements approval, extinguish the crime.

Unlawful transactions of shares or quotas or those of the parent company (art. 2628 c.c.)

It consists in the conduct of directors who, except for those cases allowed by law, acquire or subscribe shares or quotas, damaging the integrity of the corporate capital or reserves which cannot be distributed by law or directors who, except for those cases allowed by law, acquire or subscribe shares or quotas issued by the parent company, damaging the corporate capital or reserves which cannot be distributed by law.

If the corporate capital and the reserves are reconstituted within the term for the approval of financial statements referred to the financial year when the conduct was carried out, the crime is extinguished.

Transactions to the detriment of creditors (art. 2629 c.c.)

It consists in the conduct of directors who, in violation of legal provisions which protect creditors, execute reductions in corporate capital, mergers with another company or demerger transactions, causing damage to creditors.

The compensation for damages to the creditors before the judgment extinguishes the crime.

Omission of communication of conflict of interests (art. 2629-bis c.c.)

It penalizes the directors or members of the management board of a listed company in the Italian Stock Exchange market or in another EU Country regulated market or with financial instruments distributed among general public in significant numbers[3],, or subject to supervision[4],, who infringe the legal obligation provided by art. 2391, paragraph 1 c.c., (*i.e.* the director must inform the other directors and the Board of Statutory Auditors of any interest had in a specific transaction of the company, on behalf of himself/herself or of others, specifying its nature, terms, source and importance; if the director is a managing director, he must retain from carrying out the transaction, entrusting the board of directors with such action; in case of a sole director, he must inform the shareholders 'meeting of the company at the next meeting).

Fictitious formation of capital (art. 2632 c.c.)

It consists in the conduct of directors and contributing shareholders who factitiously form or increase the corporate capital, including partially, by means of the assignment of shares or quotas with an overall value higher than the amount of corporate capital, the mutual subscription of shares or quotas, or the significant overestimation of contributions in kind or receivables, or of the assets of the company in the event of a transformation.

Unlawful distribution of company assets among liquidators (art. 2633 c.c.)

It penalizes the conduct of liquidators who, by distributing to themselves the company assets before paying the creditors or before constituting the provision of funds necessary to pay creditors, cause damage to these.

[3] Pursuant to art. 116 of the Unified Body of Laws as of law decree dated 24 February 1998, no. 58, as subsequently modified

[4] Again pursuant to the above-mentioned unified body of laws as of law decree dated 24 February 1998, no. 58, as subsequently modified

The compensation for damages to the creditors before the judgment extinguishes the crime.

Bribery among private individuals (art. 2635, paragraph 3, c.c.)

It consists in the conduct of whoever gives or promises undue money or other benefits, even through interposed person, to directors, general managers, the executives in charge of drafting company financial statements, statutory auditors and liquidators of companies or private entities, as well as to whoever exercises management functions different from the aforementioned ones and whoever is subject to the management or supervision of the said persons, in order to carry out or omit, , acts in violation of the obligations related to their office or obligations of loyalty.

Instigation to bribery among private individuals (art. 2635-*bis*, paragraph 1, c.c.)

Art. 2635-*bis* c.c. penalizes the corruptive conducts among private individuals, as under art. 2635, paragraph 3 c.c., should the offer or the promise be not accepted.

Illicit influence on the shareholders' meeting (art. 2636 c.c.)

The offence occurs in the event that someone, in order to obtain undue profit for himself/herself or for others, obtains, with simulated or fraudulent acts, the majority of the shareholders' meeting, if such majority would not have been obtained without the illicit votes.

Market manipulation (art. 2637 c.c.)

The offence of market manipulation is attributed by whoever disseminates false news, or carries out simulated transactions or other artifices concretely able to cause an appreciable alteration in the price of not listed financial instruments or those for which an application for admission to trading in a regulated market has not been submitted, or affects in a significant manner the trust which the public places in the financial stability of banks or banking groups.

Hindrance to the exercise of the functions of public surveillance authorities (art. 2638, paragraphs 1 and 2, c.c.)

It consists in the conduct of directors, general managers and executives in charge of drafting the corporate accounting documents, statutory auditors and liquidators of companies, entities or organizations and other persons subjected by law to the public supervisory authorities or required to have obligations towards them, who, in the communications to the aforesaid authorities required by law, in order to hinder the exercise of the supervisory functions, represent material facts not corresponding to the truth, although subject to evaluation, on the economic, asset or financial situation of those subjected to supervision or, for the same purpose, wholly or partially conceal with other fraudulent means, facts which they should have communicated concerning the same situation.

Furthermore, article 2638 c.c. penalizes directors, general managers, statutory auditors and liquidators of companies, or entities and other persons subjected by law to public supervision authorities or required to have obligations towards them, who in any form whatsoever, including by omitting the communications due to the aforesaid authorities, knowingly hinder their functions.

False or omitted statements for the issue of the preliminary certificate (art. 54 Leg. Decree 19/2023)

The rule sanctions al those who, for the purposes of presenting as complied with the requirements for the issue of the preliminary certificate by a notary, in the event of cross-border merger (as provided for by at. 29 of the same Leg. Decree), produce documents entirely or partly false, alter original documents, make false representations or omit relevant information.

(vii) CRIMES OF TERRORISM OR SUBVERSION OF DEMOCRATIC ORDER (ART. 25-QUATER OF LEGISLATIVE DECREE NO. 231/2001)

Association with the aim of subversion (art. 270 c.p.)

It penalizes whoever, within the territory of the State, promotes, establishes, organizes or manages associations aimed at and adequate to subvert with violence the established socio-economical organisation or to suppress with violence the political and legal order of the state.

Association with the aim of terrorism, including international terrorism, or subversion of the democratic order (art. 270-*bis* c.p.)

In addition to the penalty due to the participation in association with the aim of terrorism or subversion of the democratic order, it also penalises the promotion, constitution, organization, direction and financing of such associations.

From criminal law standpoint, this provision also applies if the acts of terrorism are addressed to a foreign Country, or other international institution or organization.

Aggravating and mitigating circumstances (art. 270-*bis 1* c.p.)

Article 270-*bis 1* c.p. increases the penalty by half, except when the circumstance represents the element constituting the offence, for offences perpetrated with the aim of terrorism or subversion of democratic order, punished with a penalty other than life sentence. When other aggravating circumstances exist, the increase in penalty required for the aggravating circumstance as of paragraph one applies.

Mitigating circumstances, other than those provided for in articles 98 and 114, concurring with the aggravating circumstance as of paragraph one, cannot be considered equivalent or prevailing to the aggravating circumstances where the law establishes a different penalty or determines the extent

independently of the ordinary extent of the offence; decreases in penalty apply to the quantity of penalty resulting from the increase arising from the above-mentioned aggravating circumstances.

For crimes committed with the aim of terrorism or subversion of democratic order, except for the provisions of article 289 bis, regarding the concurring party who, dissociating from the others, acts to prevent the criminal activity to end in additional consequences, that is actually helps the police and the judicial authorities in collecting decisive evidence to identify and capture offenders, the penalty to life sentence is reduced.

In addition, the perpetrator of a crime committed with the aim of terrorism or subversion of democratic order who voluntarily prevents the event and supplies material evidence for the exact reconstruction of events and to identify possible concurring criminals cannot be punished.

Support to the members of the associations (art. 270-*ter* c.p.)

It penalizes whoever, without concurring or abetting in the commission of offence, provides refuge, food, hospitality, means of transportation, communication means to persons involved in the associations referred in articles 270 and 270-*bis* c.p..

It is not penalised whoever provides such support in favour of a person with kinship relation.

Enlistment with the aim of terrorism, including international terrorism (art. 270-*quater* c.p.)

It penalizes whoever, except for the provision set forth under art. 270-*bis* c.p., enlists one or more persons in order to commit act of violence or sabotage of essential public services, with the aim of terrorism, even against a foreign Country or an international institution or organization.

Enlistment means to enlist armed persons, or the insertion of subjects in a military structure, with a hierarchic relation between commander and his subordinate, either regular or irregular.

Organisation of transfer of persons with the aim of terrorism (art. 270-*quater*.1, c.p.)

It penalizes whoever manages, finances or promotes transfer to foreign territories in order to commit acts of violence with the purpose of terrorism, as under 270-*sexies* c.p., except for the provisions set forth under articles 270-*bis* and 270-*quater*.

Training activities with the aim of terrorism, including international terrorism (art. 270-*quinquies* c.p.)

It penalizes whoever, except for art. 270-*bis* c.p., trains or provides instructions for the preparation or use of explosive materials, firearms or other weapons, dangerous and noxious chemical or bacteriological substances, as well as any other technique or method in order to commit act of violence with the purpose of terrorism or sabotage of essential public services, also against a foreign Country, international institutes or organizations.

This article penalizes the trained person, or the person who independently trained himself/herself that commits acts univocally aimed to the purposes provided under art. 270-*sexies* c.p..

Financing with the purpose of terrorism (art. 270-*quinquies*.1 c.p.)

Except for the instances provided for in articles. 270 *bis* and 270 *quater* 1, it penalizes whoever collects, grants or provides goods or money in any way realized, for the purpose of being used, wholly or partially, in order to carry out conducts with the purpose of terrorism as set forth under article 270-*sexies* c.p. regardless of the actual use of funds to commit the above-mentioned conducts

In addition, the individual who deposits or custodies the assets or cash indicated in the preceding paragraph is sanctioned.

Stealing of goods or money under seizure (art. 270-*quinquies*.2 c.p.)

It penalizes whoever steals, destroys, disseminates, suppresses or damages goods or money under seizure for preventing the financing of acts with the aim of terrorism as under art. 270-*sexies* c.p..

Behaviours with the aim of terrorism (art. 270-*sexies* c.p.)

Behaviours with the purpose of terrorism are considered to be those behaviours that, due to their nature and context, can cause a serious damage to a Country or to an international organization and are committed with the aim of frightening the population or forces public authorities or international organisation to act or abstain from acting or destabilize or destroy the fundamental political, constitutional, economic, social structures of a Country or of an international organization, as well as other terroristic behaviours or committed with the aim of terrorism, as defined in the conventions or other international laws which are binding for Italy.

Attack with the aim of terrorism or subversion (art. 280 c.p.)

It penalizes whoever attempts the life or the safety of a person with the aim of terrorism or subversion of the democratic order.

This offence requires the presence of the aim of terrorism or subversion; the concept of terrorism includes the acts meant to spread terror among the population even if not with the aim of political subversion. Within the subversion concept, acts with the aim of subversion of the democratic order are included.

Terroristic attack with lethal and explosive devices (art. 280-*bis* c.p.)

It penalizes whoever acts with the aim of terrorism in order to damage movable or immovable assets of others, by means of lethal and explosive devices. Acts that are carried out only with demonstrative purpose, without actual danger and not causing panic among the public, are not included in this article.

Lethal and explosive devices are intended to be weapons and assimilated materials, as under art. 585 c.p., able to cause significant damages to things.

Acts of nuclear terrorism (art. 280-*ter* c.p.)

It penalizes whoever, with the aim of terrorism as under art. 270-*sexies* c.p., buys for himself/herself or others, radioactive material, fabricate a nuclear device or comes into its possession.

Kidnapping of a person with the aim of terrorism or subversion (art. 289-*bis* c.p.)

It penalizes whoever kidnaps a person with the aim of terrorism or subversion of the democratic order.

Kidnapping of a person with the aim of coercion (art. 289-*ter* c.p.)

Article 289-*ter* c.p. punishes the conduct of who kidnaps a person for the purposes of obliging a third party, either a state, international organization among several governments, a natural person or legal entity or community of natural persons to perpetrate any act.

Instigation to commit any of the crimes provided in chapters 1 ("Crimes against the international identity of the State") and 2 ("Crimes against the national identity of the State") (art. 302 c.p.)

It penalizes the instigation of a person to commit any of the un-intentional crimes provided under Chapters I and II of Title I, Book II of the Italian criminal code for which the law establishes life sentence or imprisonment.

Political conspiracy through agreement (art. 304 c.p.)

It penalizes the conduct of a plurality of persons who agree to commit any of the offence as of article 302 c.p. and whoever takes part to such agreement.

Political conspiracy through associations (art. 305 c.p.)

The offence has the same nature of criminal conspiracy as provided under art. 416 c.p. with the difference that it refers to crimes as under art. 302 c.p..

It also differs from the type of conspiracy provided in art. 304 c.p., since a minimum number of three persons is required.

Armed gangs: establishment and participation (art. 306 c.p.)

It penalizes whoever either establishes, promotes or organizes armed gangs or simply participates thereto, with different penalties.

Support to participants of conspiracies or armed gangs (art. 307 c.p.)

Except for the cases of concurring in crime or abetting, it penalizes whoever provides refuge, food, hospitality, means of transportation, communication means in favour of persons involved in the conspiracy associations or armed gangs, as under articles 305 and 306 c.p..

Seizure, hijacking and destruction of an airplane (art. 1, Law 342/1976)

It penalizes whoever, by violent means or threat, commits acts aimed at seizing an airplane or whoever, with violence, treat, fraud, commits acts meant to the hijacking or destruction of an airplane.

Damages to ground installations (art. 2, Law 342/1976)

It penalizes whoever, in order to hijack or destroy an airplane, damages the ground installations for the air navigation or sabotages them.

Sanctions (art. 3, Law 422/1989)

It penalizes whoever commits acts, with violence and threat, in order to take possession of a ship or of fixed installations or exercises its control over them.

New York Convention of 9 December 1999 (art. 2)

According to this Convention commits a crime, anyone who by any means, directly or indirectly, unlawfully and wilfully, provides or collects funds with the intention that they should be used or in the knowledge that they will be used, in full or in part, in order to carry out:

a) an act which constitutes an offence as defined under one of the treaties listed in the annex to the New York Convention;
b) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in a situation of armed conflict.

(viii) OFFENCES INVOLVING PRACTICES OF FEMALE GENITAL MUTILATION (ART. 25-QUATER.1 OF LEGISLATIVE DECREE NO. 231/2001)

Practices of mutilation of female genitals (art. 583-*bis* c.p.)

It penalizes whoever, without the need of therapeutic treatments, causes female genitals mutilation. According to this article, these practices more specifically are clitoridectomy, excision, infibulation or other similar practice which causes the same effects.

This article also penalizes whoever, without the need of therapeutic treatments, causes, in order to mutilate sexual organs, injuries to female genitals, different from the above mentioned, which lead to a physical or mental disease.

Such provisions apply also if the offence is committed abroad by an Italian citizen or by a foreigner resident in Italy, as well as if the offence is suffered by an Italian citizen or by a foreigner resident in Italy. In this case the subject is penalised upon request of the Ministry of Justice.

(ix) OFFENCES AGAINST THE PERSON (ART. 25-QUINQUIES OF LEGISLATIVE DECREE NO. 231/2001)

Enslavement or maintenance in a state of slavery or servitude (art. 600 c.p.)

It penalizes whoever exercises on another person powers equivalent to the right of property or imposes or maintains a person in a state of a permanent subjection, forcing this latter to work or to accept sexual harassment or forcing it into beggary or to commit illicit acts, resulting in his/her exploitation or forcing him/her to submit to removal of his/her organs.
Such crime occurs when the offence is carried out with violence, threat, deception, abuse of authority or exploitation of a vulnerable situation, physical or mental inferiority or of a situation of necessity, or through a promise or giving of money or other benefits to the person having such authority on the exploited person.

Underage prostitution (art. 600-bis c.p.)

It penalizes whoever recruits or instigates to prostitution a person under 18 years old or exploits, takes advantage, manages or controls prostitution of a person under 18 years old as well as takes profit by such practice.

In addition who engages in sexual acts with a person under-age, ranging between fourteen and eighteen years old, in exchange for money or other asset, even though only promised, is punishable.

Underage pornography (art. 600-ter c.p.)

It penalizes whoever: (i) exploits underage person to make porno-performances or to fabricate pornographic material or sell it; (ii) recruits or instigates underage person to participate to pornographic displays or from such act obtains any profit.

This offence also applies if information or news are spread or disseminated with any means, also electronically, distributed, disclosed or advertised, in order to solicit and exploit underage persons, even by means of free distribution of child porn material,

In addition, those who assist to porno-performances involving under-age persons are also punished.

To the aim of this article, for underage pornography it is intended any displays of explicit sexual acts, actual or simulated, or any displays of underage sexual organs for sexual pleasure.

Possession of or access to pornographic material (art. 600-quater c.p.)

It consists in the offence by anyone who, consciously, acquires and holds pornographic material, made by the exploitation of underage prostitution.

In addition, the offence also applies when an individual, using the internet network or other networks or communication, intentionally accesses without justified reason to porno material realized using underage persons less than eighteen years old.

Virtual pornography (art. 600-*quater*.1, c.p.)

It consists in the offence of a person, as set forth under art. 603-*ter* anI*quater* c.p., utilizes pornographic material represented by virtual images, made by taking underage images or part of such images.

Virtual images are intended to be those images realized with graphical elaboration that are not wholly or partially associated to actual situations, but the resulting displays made actual unrealistic situation.

Tourism initiatives aimed at the exploitation of underage prostitution (art. 600-*quinquies* c.p.)

The offence penalizes whoever promotes or organizes travel with the aim to the fruition of underage prostitution or other in any way including similar practices.

Human trafficking (art. 601 c.p.)

It penalizes whoever enlists, makes someone enter into the State territory, transfers also abroad, transports, give the authority on the person to someone else, gives hospitality to one or more persons in the conditions described as at art. 600 c.p. (*i.e.* slavery or servitude).

The offence is also carried out through deceit, violence, threat, abuse of authority or exploitation of a vulnerable situation, physical or mental inferiority or of a situation of state of necessity, or through a promise or giving of money or other benefits to the person subject to such authority on the exploited person with the aim to induce or force the subjected person to work, to accept sexual abuse, or forcing it into beggary or to commit illicit acts, resulting in his/her exploitation or forcing him/her to submit to removal of his/her organs.

The conduct also applies when perpetrated to the detriment of under-age persons or when perpetrated by the master or officer of a national or foreign ship. In addition also crew members of national or foreign ships destined to the shipping lane before departure or during navigation are punished.

Sale and purchase of slaves (art. 602 c.p.)

It consists in the offence by a person who, except as provide under art. 601 c.p., acquires, sells or cedes a person already under slavery or servitude condition.

Illicit mediation and labour exploitation (art. 603-*bis* c.p.)

It penalizes whoever:

1) enrols manpower with the aim of providing work to third parties in a condition of exploitation, taking advantage of the state of necessity of workers;
2) uses, hires, or employs manpower, also by means of illicit mediation as per point 1 above, by way of subjecting them to a condition of exploitation, taking advantage of the state of necessity of the workers.

The legislator sets forth the following exploitation index which supports the judge in order to decide if the worker is subjected to work exploitation: a) the repeated payment of a salary which is explicitly different from the one provided by national or territorial collective labour agreements executed by the most representative national trade unions; b) repeated payments that are disproportionate with respect to the quality or the quantity of work; c) repeated infringement of the provisions related to working hours, rest periods, weekly rest, compulsory leaves, right to holidays,; d) infringement of workplace health and safety provisions; e) degradant working conditions; f) degradant surveillance means imposed to workers; g) degradant accommodation conditions imposed to workers.

Solicitation of minors (art. 609-*undecies*)

It penalizes whoever lures young people under sixteen years old to commit the offences prescribed at articles 600, 600-*bis*, 600-*ter*, 600-*quater* c.p., also regarding pornographic material as under art.600-*quater*.1, 600-*quinquies*, 609-*bis*, 609-*quater*, 609-*quinquies* and 609-*octies* c.p..

To lure means any act meant to gather the underage trust through artifices, flatteries, threats addressed also through the web, other networks, or other means of communications.

(x) MARKET ABUSE (ART. 25-SEXIES OF LEGISALTIVE DECREE NO. 231/2001)

Abuse or unlawful disclosure of privileged information. Recommendation or induction of others to commit insider dealing

Criminal offence (art. 184 of the Italian Unified Finance Act ("TUF"))

Pursuant to article 184 TUF, it is penalised anyone who,

1) being in possession of privileged information by virtue of his or her capacity as member of the issuer's administrative, management or control bodies, having shareholding in the issuer's capital, or rather in conducting their work, professional activities or functions, including public functions, or of an office:
    a. purchases, sells or carries out other transactions, directly or indirectly, on its own account or on behalf of third parties, on financial instruments using the same information;
    b. communicates such information to others, outside the normal exercise of their work, profession, function or office or a market survey carried out pursuant to Article 11 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council, of 16 April 2014;
    c. recommends or induces others, on the basis of such information, to carry out any of the operations indicated in the letter a).
2) being in possession of privileged information by reason of the preparation or execution of criminal activities, commits any of the facts referred to in point 1;
3) apart from the cases of participation in the offenses referred to in points 1) and 2) above, anyone who is in possession of privileged information for reasons other than those expressly indicated in points 1) and 2) above and knowing the privileged nature of such information commits any of the facts referred to in point 1);
4) in the cases referred to in points 1), 2) and 3) the fine may be increased up to triple or up to the amount of ten times the product or profit obtained from the crime when, due to the significant offense of the fact, for the personal qualities of the perpetrator or the extent of the product or the profit obtained from the crime, it appears inadequate even if applied to the maximum;
5) the sanctions provided for by Article 184 of the TUF are also applied when the offenses referred to in points 1), 2) and 3) concern conduct or operations, including offers, relating to auctions on an authorized auction platform, such as a regulated market for issued shares or other related auctioned products, even when the auctioned products are not financial instruments, pursuant to Regulation (EU) no. 1031/2010 of the Commission, of 12 November 2010.

Administrative offence (art. 187-bis TUF)

While the criminal sanctions when the act constitutes a criminal offence (art. 184 of the TUF) remain valid, anyone who violates the prohibition of abuse of privileged information and unlawful communication of privileged information referred to in Article 14 of Regulation (EU) no. 596/2014[5] is punished with an administrative pecuniary sanction.

The administrative pecuniary sanctions provided for art. 187-*bis* of TUF are increased up to three times or up to the greater amount of ten times the profit achieved or the losses avoided as a result of the offence when, due to the criteria as of art.194-bis of TUF and the extent of the product or profit of the offence, they appear inadequate even if applied to the maximum.
With regard to the conducts provided for in art.187-bis of TUF, attempted offence is treated in the same way as perpetrated offence.

Market manipulation

Criminal offence (art. 185 TUF)

Market manipulation consists in the dissemination of false news (so-called "*information manipulation*") or by way of executing simulated transactions or other activities (so-called "*operative manipulation*") that can cause a significant change to the price of financial instruments.

A person who committed the act by means of trading orders or transactions carried out for legitimate reasons and in accordance with accepted market practices, pursuant to Article 13 of Regulation (EU) No 596/2014, shall not be penalised.

Administrative offence (art.187-ter TUF)

While the criminal sanctions when the act constitutes a criminal offence remain valid, anyone who carries out market manipulations in accordance with Article 15 of Regulation (EU) No. 596/2014[6] is penalised with a pecuniary administrative sanction.

The administrative pecuniary sanctions are increased up to three times or up to the greater amount of ten times the profit achieved or the losses avoided as a result of the offence when, considering the criteria listed in article 194-bis and the extent of the product or profit of the offence, they appear inadequate even if applied to the maximum.

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5 Article 14 – Prohibition of abuse of inside information and unlawful disclosure of inside information. It is forbidden:
a) to abuse or to attempt to abuse inside information;
b) to recommend to others that they abuse inside information or induce others to abuse inside information; or
c) unlawful disclosure of inside information.
6 Article 15 – Prohibition of market manipulation.
It is forbidden to engage or attempt to engage market manipulations.

(xi) MANSLAUGHTER OR SERIOUS OR LIFE-THREATENING INJURIES, RESULTING FROM VIOLATIONS OF THE REGULATIONS ON HEALTH AND SAFETY IN THE WORKPLACE (ART. 25-SEPTIES OF LEGISLATIVE DECREE NO. 231/2001)

Manslaughter committed in violation of the rules on the protection of health and safety at work (art. 589, paragraph 2, c.p.)

In this regard, Article 25-septies, Legislative Decree. No. 231 of 2001, provides for monetary sanctions and sanctions involving disqualification for cases in which the crime referred to in Article 589 c.p. (the crime of manslaughter is committed by the fact of having caused, through negligence, the death of a person), is committed in violation of the regulations on the protection of health and safety at work.

Negligent serious or very serious personal injury (art. 590, paragraph 3, c.p.)

Article 25 septies third paragraph identifies as a predicated offense the event in which the conduct of a person who, as referred to in paragraph 3 of article 590, causes serious or very serious personal injury to others through negligence, and it may give rise to the application of pecuniary or disqualifying sanctions, according to Article 25-septies, 3rd paragraph, if the offence is in violation of the workplace accident prevention regulations. The personal injury is severe if:
1) the event results in an illness that endangers the life of the injured party, i.e. an illness or an inability to manage ordinary occupations for more than forty days;
2) the event weakens in a permanent way a sense or an organ.
The personal injury is very severe, if from the fact derives:
1) a disease that is certainly or probably incurable;
2) the loss of a sense;
3) the loss of a limb, or a mutilation that makes the limb useless, or the loss of the use of an organ or of the ability to procreate, or a permanent and serious difficulty of speech;
4) deformation or permanent disfigurement of the face.

(xii) RECEIVING, LAUNDERING AND USING MONEY, GOODS OR BENEFITS OF ILLICIT ORIGIN, AS WELL AS SELF-LAUNDERING (ART. 25-OCTIES OF LEGISLATIVE DECREE NO. 231/2001)

Receiving stolen goods (art. 648 c.p.)

Apart from cases of accessory to the offense, whoever, in order to obtain an advantage for himself or others, purchases, receives or conceals money or goods originating from any offence whatsoever, or in any case intervenes in having them purchased, received or concealed. The penalty is increased

when the case concerns money or things deriving from crimes of aggravated robbery pursuant to article 628, third paragraph, of aggravated extortion pursuant to article 629, second paragraph, or aggravated theft pursuant to article 625, first paragraph, n. 7-bis.

The penalty is reduced when the offense concerns money or things deriving from a fine penalised with an arrest for a maximum of one year or a minimum of six months.

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

The provisions of this article also apply when the perpetrator of the crime from which the money or things comes is not attributable or not penalizable or when there is no condition of admissibility related to that crime.

Laundering (art. 648-*bis* c.p.)

Apart from cases of accessory to the offense, whoever substitutes or transfers money, goods or other benefits deriving from an offence not due to any negligence, or carries out other transactions in relation to them, so as to hinder the identification of their criminal origin.

The penalty is reduced when the case concerns money or things from a violation penalised with arrest for a maximum of one year or a minimum of six months.

The penalty is increased when the offense is committed in the exercise of a professional activity.

The penalty is reduced if the money, goods or other benefits derive from a crime for which a prison sentence of less than a maximum of five years is established.

The provisions of this article also apply when the perpetrator of the crime from which the money or objects comes is not chargeable or not penalizable or when there is no condition of admissibility related to that crime.

Use of money, goods or benefits of illicit origin (art. 648-*ter* c.p.)

Apart from cases of accessory to the offense and the cases provided for in articles 648 and 648 bis, the offense occurs in the case that money, goods or other benefits deriving from a crime are used in economic or financial activities.
There are grounds for mitigating circumstance when the case concerns money or things from a fine penalised with arrest for a maximum of one year or a minimum of six months.

The penalty is increased when the offense is committed in the exercise of a professional activity.

The penalty is reduced in the case referred to in the fourth paragraph of art. 648.

The provisions of this article also apply when the perpetrator of the crime from which the money or things originate is not chargeable or not penalizable or when there is no condition of admissibility related to that crime.

Self-laundering (art. 648-*ter*.1 c.p.)

Anyone who, having committed or contributed to committing a crime, employs, replaces, transfers money, goods or other benefits deriving from the commission of such a crime in economic, financial, entrepreneurial or speculative activities, in order to concretely hinder the identification of their criminal origin shall be penalised.

There are grounds for mitigating circumstances when the case concerns money or objects from a fine penalised with arrest for a maximum of one year or a minimum of six months.

The penalty is reduced if the money, goods or other benefits derive from a crime for which a prison sentence of less than a maximum of five years is established.

However, the penalties provided for in the first paragraph apply if the money, goods or other benefits come from a crime committed with the conditions or purposes referred to in Article 416-bis.1.

Apart from the cases referred to in the preceding paragraphs, conduct for which money, goods or other utilities are destined for mere use or personal enjoyment are not penalizable.

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

The penalty is reduced by up to half for those who have effectively worked to prevent the conduct from leading to further consequences or to ensure evidence of the crime and the identification of assets, money and other benefits deriving from the crime.

The provisions of this article also apply when the perpetrator of the crime from which the money or things comes is not attributable or not penalizable or when there is no condition of admissibility related to that crime.

(xiii) CRIMES RELATING TO PAYMENT INSTRUMENTS OTHER THAN CASH AND FRAUDULENT TRANSFER OF VALUES (ARTICLE 25-OCTIES.1, D.LGS. N. 231 OF 2001)

Undue use and falsification of payment instruments other than cash (Article 493-ter of the Criminal Code)

Anyone who, in order to make a profit for themselves or for others, improperly uses credit or payment cards, or any other similar document enabling the withdrawal of cash or the purchase of goods or services, or any other payment instrument other than cash is penalised. The same penalty is applied

to anyone who falsifies or alters the instruments or documents referred to in the first sentence in order to profit from it for themselves or others, or who owns, transfers or acquires such instruments or documents of illicit origin or in any case that have been falsified or altered, as well as payment orders produced with them.

In the event of a conviction or application of the penalty at the request of the parties pursuant to article 444 of the criminal procedure code for the crime referred to in the first paragraph, the confiscation of the things that served or were intended to commit the crime, as well as of the profit or product, unless they belong to a person unrelated to the crime, or when this is not possible, the confiscation of goods, sums of money and other benefits available to the offender for a value corresponding to such profit or product.

Possession and dissemination of equipment, devices or computer programs aimed at committing crimes concerning payment instruments other than cash (Article 493-quater of the Italian Penal Code)

Unless the case constitutes a more serious crime, anyone who produces, imports, exports, sells, transports, distributes, in order to make use of, allows, makes available or in any way procures for himself or for others to use equipment, devices or computer programs that are mainly built to commit such crimes, or are specifically adapted for the same purpose, in the commission of crimes relating to payment instruments other than cash due to their technical-constructive or design characteristics, shall be penalised.

In the event of conviction or application of the penalty at the request of the parties pursuant to article 444 of the penal code procedure for the crime referred to in the first paragraph, the confiscation of the aforementioned equipment, devices or computer programs is always ordered, as well as the confiscation of the profit or the product of the crime or, when this is not possible, the confiscation of goods, sums of money and other benefits available to the offender for a value corresponding to such profit or product.

Computer fraud (Article 640-ter of the Criminal Code) - in the case aggravated by the implementation of a transfer of money, monetary value or virtual currency

Anyone who, altering the function 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, procures for himself or others an unfair profit to the detriment of the State or other public body.

The penalty is aggravated if one of the circumstances provided for by number 1) of the second paragraph of article 640 occurs, or if the fact produces a transfer of money, monetary value or virtual currency or is committed with abuse of the title of system operator.

The penalty is aggravated if the offense is committed with theft or improper use of the digital identity to the detriment of one or more subjects.

The offense is penalizable upon complaint by the injured person, unless the circumstance referred to in the second and third paragraphs or one of the circumstances provided for by article 61, first paragraph, number 5 occur, limited to having taken advantage of circumstances in person, also in reference to age.

Fraudulent transfer of values (Article 512-bis of the Criminal Code)

Unless the case constitutes a more serious crime, anyone who fictitiously attributes to others the ownership or availability of money, goods or other benefits for the purpose of evading the legal provisions regarding asset prevention measures or smuggling, or to facilitate the commission of one of the crimes referred to in articles 648 ("Receiving stolen goods"), 648-bis ("Laundering") and 648-ter ("Use of money, goods or benefits of illicit origin") is punished with imprisonment from two to six years

(xiv) CRIMES RELATED TO VIOLATION OF COPYRIGHT (ART. 25-NOVIES OF LEGISLATIVE DECREE NO. 231/2001)

Offences prescribed in the Copyright Law (Law no. 633/1941, "LDA")

Art. 171, paragraph 1, letter a–*bis)*, and paragraph 3 of LDA

Paragraph 1, letter a-*bis*) consists in the conduct of a person who makes available protected intellectual property, or part thereof, to the public, without any right and for any purpose, by way of inserting such property in telematics networks, by means of any kind of connections.

Paragraph 3 of article 171 of LDA penalizes whoever commits one of the following conduct regarding a third-party intellectual property not intended for publication, as well as by way of usurpation of the paternity of the work, or by deformation, mutilation or other change to the work, in the event the author's reputation and honourability results harmed:

a) copying, transcription, recitation in public, diffusion, sale or put on sale or into commerce or introduction and circulation in the State;
b) availability to the public, by way of telematics networks, as well as by means of any kind of connections;
c) display, execution, acting in public or circulation of it with or without changes or additions;
d) commission of the above acts, as set forth in the aforementioned letters, by means of one of the forms of elaboration prescribed in the LDA;
e) copy of a number of samples, or execution or reproduction of a number of executions or reproduction bigger than the one to which the author was entitled to execute or reproduce;
f) re-transmission via filo or radio or recording on phonographic disc or other similar devices.

Art. 171-*bis* of LDA

It consists in the conduct of a person who unlawfully copies processing programmes in order to gain profit, or for the same purposes, imports, distributes, sells, possesses for commercial or business purposes, or leases programmes contained in devices not marked by stamp of the *Società italiana degli autori ed editori* ("SIAE").

Moreover, it is also penalised whoever, in order to gain profit, on non-SIAE marked devices, reproduces, transfers to another support, distributes, communicates, presents or shows in public the content of a database, or performs the extraction or reuse of a database, distributes, sells or leases a database.

Art. 171-*ter* of LDA

It consists in the conduct of anyone who, for non-personal use and in order to gain profit:

a. abusively duplicates, reproduces, transmits or disseminates in public by any process, in whole or in part, a work of invention intended for television, cinema, sale or rental, discs, tapes or similar devices or any other media containing phonograms or video grams of musical, cinematic or audio-visual works or sequences of motion pictures;
b. abusively reproduces, broadcasts or disseminates in public with any process, work or part of literary, dramatic, scientific or educational, musical or dramatic-musical works, or multimedia, even if incorporated into collective or composite works or databases;
c. even though he/she has not contributed to the duplication or reproduction, introduces it into the territory of the State, holds for sale or distribution, or distributes, puts on the market, grants to rent or in any event transfers, projects in public, broadcasts by television through any means, broadcasts by the radio, makes public listening of duplications or abusive reproductions referred to points (a) and (b) above;
d. holds for sale or distribution, puts on the market, sells, rents, cedes in any way, projects in public, transmits by radio or television any kind of process, videotapes, tapes, any support containing phonograms or video grams of musical works, cinematographic or audio-visual or motion picture sequences, or any other media for which, under the LdA, the SIAE's stamp is affixed by the SIAE, without the same mark or with a counterfeit or altered mark;
e. in the absence of agreement with the legitimate distributor, retransmits or disseminates by any means an encrypted service received by means of devices or parts of device for the decoding of conditional access transmissions;
f. introduces within the territory of the State, holds for sale or distribution, distributes, sells, leases, cedes with any title, commercially promotes, installs devices or special decoding elements that allow access to an encrypted service without the payment of the fee due;
g. manufactures, imports, distributes, sells, leases, cedes with any title, advert for sale or lease, or holds for commercial purposes, equipment, products or components, or provides services that have the prevailing purpose or commercial use to elude effective technological measures or to be primarily designed, manufactured, adapted or made with the aim of making possible or facilitating the circumvention of such measures. Technological measures include those applied or remaining as a consequence of the removal of the same measures as a result of the voluntary initiative of the rights holders, or of agreements between the latter and the beneficiaries of exceptions, or following the enforcement of administrative authority measures or court;
h. abusively removes or alters electronic information, or distributes, carries on distribution, broadcasts by radio or television, communicates or makes publicly available works or other protected material from which the electronic information has been removed or altered.

It is also penalised, under such rule, anyone who:

1) reproduces, duplicates, transmits or disseminates abusively, sells or puts into circulation on the market, cedes at any title, unlawfully import more than fifty copies or samples of works protected by copyright and relevant rights;
2) for profit purposes, communicates to the public by including in or into a system of telematics networks, by means of connections of any kind, a work protected by copyright or part of it;
3) by exercising in an entrepreneurial manner activities of reproduction, distribution, sale or marketing, importing works protected by copyright and related rights, is found guilty of the facts provided for in the preceding paragraph;
4) promotes or manages the illicit activities referred to in the previous paragraph.

Art. 171-*septies* of LDA

It penalizes who products or imports of supports not subject to mark, which do not communicate to SIAE, within thirty days from the date of their distribution into the national market or of their importation, the data necessary for their univocal identification and, save that the fact does not constitute a more severe offence, whoever falsely declares to have accomplished the obligations as under 181-*bis*, paragraph 2 of LDA, deriving from regulations regarding copyright law and relevant rights.

Art. 171-*octies* of LDA

It penalizes whoever fraudulently produces, sells, imports, promotes, installs, changes, utilizes for private or public use devices or part of devices suitable for the decoding of audio-visual broadcasts with limited access, via air, via satellite, by cable, both in analogical or digital form. Limited access means all audio-visual signals transmitted by Italian or foreign broadcasters so that only a limited group selected by the subject who broadcasts the signal can see them, regardless of the imposition of a payment fee in order to have such service.

(xv) INDUCEMENT TO WITHHOLD STATEMENTS OR TO MAKE FALSE STATEMENTS TO JUDICIAL AUTHORITIES (ART. 25 DECIES OF LEGISLATIVE DECREE NO. 231/2001)

Inducement to not make statements or to make mendacious statements to the judicial authorities (art. 377-*bis* c.p.)

It penalizes anyone who, with violence or threat or with the offer or promise of money or other benefits, induces a person called upon to make before the courts statements usable in criminal proceedings, to not make statements or to make mendacious statements, when the person can exercise the right to silence.

(xvi) ENVIRONMENTAL OFFENCES (ART. 25-UNDECIES OF LEGISLATIVE DECREE NO. 231/2001)

Offences provided under Criminal Code

Environmental pollution (art. 452-*bis* c.p.)

It penalizes whoever abusively causes significant and measurable deterioration or impairment of waters and of the air, or of extensive or significant portions of soil or subsoil, of ecosystems, biodiversity, even agrarian, of the flora or fauna.

Environmental disaster (art. 452-*quater* c.p.)

It penalizes whoever causes an environmental disaster.

Environmental disaster is intended as: an irreversible alteration of the ecosystem equilibrium; alteration of an ecosystem equilibrium whose remediation results particularly expensive or achievable only with exceptional measures; offence to public safety caused by the extension of the alteration or of its dangerous effects or related to the number of injured persons or exposed to danger.

Negligent crimes against the environment (art. 452-*quinquies* c.p.)

This article provides a decrease in the penalty in case the facts prescribed under art. 452-*bis* and 452-*quater* c.p. have been i committed as a result of negligence or when such behaviours cause danger of pollution or environmental disaster.

Traffic and abandonment of highly radioactive material (art. 452-s*exies* c.p.)

It penalizes whoever abusively cedes, acquires, receives, transports, imports, exports, procures for others, holds, transfers, abandons or illegally disposes of highly radioactive material.

Aggravating circumstances (art. 452-*octies* c.p.)

According to art. 452-*octies* c.p., penalties are increased when:

a) an association prescribed as at art. 416 c.p. is established, exclusively or concurrently, in order to commit the offences as under Title VI-*bis*, Chapter III, Book II of the Criminal Code;
b) an association prescribed as at art. 416-*bis* c.p. is established to commit the offences as under Title VI-*bis*, Chapter III, Book II of the Criminal Code, or to achieve the management or, in any case, the control of economic activities, concessions, authorisations, public tenders or public service contracts in environmental field;
c) the associations include public officials or persons entrusted with public services who carries out functions or execute services in environmental area.

Killing, destruction, capture, taking, keeping of specimens of protected animal or plant species (art. 727-*bis* c.p.)

It applies in the event of the killing, capture and/or keeping specimens of protected wild animal species as well as the destruction, taking or keeping specimens of protected wild plant species.

Destruction or debasement of habitat within a protected site (art. 733-*bis* c.p.)

It applies in the event of the destruction of a habitat within a protected site or its debasement, compromising the state of conservation.

Crimes prescribed by the Environment Consolidated Law (Legislative Decree no. 152/2006)

Criminal sanctions (art. 137, paragraphs 2, 3, 5, first and second sentence, 11 and 13 of Legislative Decree no. 152/2006 ("TUA"))

Article 137 TUA represents the most important provision for the protection of water, and it penalizes anyone who:

a. opens or otherwise makes new industrial wastewater discharges containing the noxious substances including in the families and groups of substances indicated in Tables 5 and 3 / A of the Annex 5 part Three of TUA, without authorization, or continues to carry out or maintain such discharges after the authorization has been suspended or revoked;
b. discharges industrial wastewater containing the dangerous substances contained in the families and groups of substances indicated in Tables 5 and 3 / A of Annex 5 to Part Three of TUA without observing the requirements of the authorization or other requirements of the competent authority;
c. in carrying out an industrial wastewater discharge, exceeds the limit values set in Table 3 or, in the case of land drainage, in Table 4 of Annex 5 to Part Three of TUA;
d. does not observe the prohibitions of exemption under Articles 103 and 104 of TUA;
e. causes the unloading in sea water by ships or aircraft containing substances or materials for which the total ban has been imposed in accordance with the provisions of the relevant international conventions and ratified by Italy, unless they are in quantities such as to be rapidly harmed by the physical, chemical and biological processes that occur naturally at sea and in the presence of prior authorization by the competent authority.

Unauthorized waste management activities (article 256, paragraphs 1, letters a) and b), 3, first and second sentence, 5 and 6, first sentence, TUA)

Article 256 TUA is the main provision for waste management. Specifically, this provision sanctions anyone who:

a) performs a collection, transport, recovery, disposal, trading and brokering activity in the absence of the required authorization, registration or communication;
b) establishes or manages an unauthorized dump or landfill intended, even in part, for the disposal of hazardous waste;

c) performs activities for mixing of waste without permission;
d) makes temporary storage at the place of production of hazardous medical waste.

Clean-up of contaminated sites (art. 257, paragraphs 1 and 2 TUA)

It consists in the conduct of whoever causes pollution of the soil, subsoil, surface or underground water with a passing of the risk threshold concentrations, if that person failed to, clean up the site in accordance with the plan approved by the competent Authority. In addition, the person who does not make the communication referred to in Article 242 of the T. UA is penalised.

The second paragraph of this article provides for a tightening of penalties in the event that pollution is caused by dangerous substances.

Infringement of obligations of communication, of mandatory record keeping and forms (Article 258, paragraph 4, second sentence, TUA)

Article 258, paragraph 4, second period, TUA penalizes whoever in the preparation of a certificate of analysis of waste, supplies false indications on the nature, composition and physical and chemical characteristics of waste, or makes use of a false certificate during transportation.

Illegal traffic of waste (art. 259, paragraph 1, TUA)

The rule sanctions anyone who carries out a shipment of waste constituting illicit traffic within the meaning of Article 26 of Regulation (EEC) of 1 February 1993. no. 259, or carries out a shipment of waste listed in Annex II to that Regulation in breach of Article 1, paragraph 3, letters a), b), c) and d) of that regulation.

Organized activities for the illicit traffic of waste (art. 452-quaterdecies c.p.)

The provision in question sanctions anyone who, in order to gain an unfair profit, through multiple transactions and through the organization of organized means and continuous activities, cedes, receives, carries, exports, imports, or in any case manages abusively large quantities of waste.

In the case of high radioactivity waste, the penalty is increased (Article 260, paragraph 2, TUA).

Waste tracking computer monitoring system (Article 260-*bis*, paragraphs 6, 7, second and third sentences, and 8, first and second sentences, TUA)

The article sanctions the person who, in the preparation of a certificate of waste analysis, used under the waste traceability control system, provides false information on the nature, composition and physical and chemical characteristics of the waste and the person who inserts a false waste certificate in the data to be provided for waste traceability.

Paragraph 7, second and third sentences of Article 260-*bis* of the TUA penalizes the person who carries out transportation of hazardous waste and who, during transportation, makes use of a certificate of waste analysis containing false information on the nature, the composition and the chemical-physical characteristics of the waste transported.

Paragraph 8, first and second sentences, of Article 260-bis, of TUA, penalizes the transporter who accompanies the transport of waste with a fraudulently altered hard copy of SISTRI - AREA card. The penalty is increased in the case of hazardous waste.

Sanctions (Article 279, paragraph 5, TUA)

It penalizes whoever when operating a facility, breaches the limit of the emissions causing as well the exceeding of the limit values for air quality provided for in the regulations in force.

Offences as under the Law no. 150/1992

Import, export, holding, use for profit, purchase, sale, display or holding for sale or for the commercial purposes of protected species (Articles 1, paragraphs 1 and 2, 2, paragraphs 1 and 2, 3-*bis*, paragraph 1, and 6, paragraph 4, of Law no. 150/1992)

This law governs the offenses relating to the application in Italy of the Convention on International Trade in Endangered Animal and Plant Species, signed in Washington on March 3, 1973, as per Law No 19 of 19 December 1975, No. 874 and Regulation (EEC) No. 3626/82 and subsequent amendments.
In particular, Article 1, paragraphs 1 and 2, penalizes those who, in violation of Regulation (EC) No. 338/97 of Council of 9 December 1996 and subsequent implementations and amendments (hereinafter referred to as the "Regulation") for specimen belonging to the species listed in Annex A to this Regulation and subsequent amendments:

a) imports, exports or re-exports specimens, under any customs procedure, without the prescribed certificate or license, or with an invalid certificate or license within the meaning of Article 11, paragraph 2a, of the Regulation;
b) omits to comply with the prescriptions for the safety of specimens specified in a license or certificate issued in accordance with the Regulation and with Regulation (EC) No. 939/97 of Commission of 26 May 1997 and subsequent amendments;
c) c. uses the aforementioned specimens differently from the requirements contained in the authorization or certification measures issued together with the import license or subsequently certified;
d) d. carries or makes transit, also for third parties, specimens without the license or certificate prescribed, issued in accordance with the Regulation and Regulation (EC) no. No 939/97 of Commission of 26 May 1997 and subsequent amendments and, in the case of export or re-export from a third Country, party to the Washington Convention, issued in accordance with it, or without sufficient proof of their existence;
e) e. trades artificially reproduced plants in contravention of the requirements laid down in Article 7, paragraph 1, letter b) of Regulation and of Regulation (EC) No, 939/97 of Commission of 26 May 1997 and subsequent amendments;

f) f. holds, uses for profit, acquires, sells, exhibits or holds for sale or for commercial purposes, offers for sale or otherwise handles specimens without the required documentation.

If one of the aforementioned conduct is put into effect in the course of carrying out a business activity, the suspension of the license will result as consequence of the sentence. .

Pursuant to Article 3-*bis*, Law no. 150/1992, it is penalised who forges or alters certificates, licenses, import notifications, declarations, information communications in order to obtain a license or certificate, use of certificates or fake or altered licenses, in accordance with article 16 paragraph 1 letters a), c), d), e) and l) of the Regulation.

Article 6, paragraph 4 of Law no. 150/1992 penalizes anyone who has live specimens of mammals and wildlife reptiles and live specimens of mammals and reptiles from captive reproductions that pose a health and public safety hazard.

Offences as under the Law 549/1993

Cessation and reduction of the use of harmful substances (Article 3, paragraph 6, Law no. 549/1993)

The article of the law in question prohibits the authorization of plants that utilize the substances listed in Table A enclosed with Law no. 549/1993, subject to the provisions of Regulation (EEC) 594/91, as amended and supplemented by Regulation (EEC) 3952/92.

Offenses as under the Legislative Decree no. 202/2007

Intentional pollution caused by ships (Article 8, paragraphs 1 and 2, Legislative Decree no. 202/2007)

The rule in question sanctions the commander of a ship, flying any flag, as well as the crew members, the owner and the ship owner, in case the violation occurred with their concurrence, who deliberately violate the provisions of the art. 4 of Legislative Decree no. 202/2007.

The penalty is increased if the above violation causes permanent damage or, in any case, of particular gravity, to water quality, animal or vegetable species or parts thereof.

Negligent pollution caused by ships (Article 9, paragraphs 1 and 2, Legislative Decree no. 202/2007)

The rule in question sanctions the commander of a ship, flying any flag, as well as the crew members, the owner and the ship owner, in case the violation occurred with their concurrence, due to negligent violation of the provisions as of art. 4 of Legislative Decree no. 202/2007.

The penalty is increased if the above violation causes permanent damage or, in any case, of particular gravity, to water quality, animal or vegetable species or parts thereof.

(xvii) CRIME RELATED TO THE EMPLOYMENT OF ILLEGALLY STAYING THIRD-COUNTRY NATIONALS (ART. 25-DUODECIES OF LEGISLATIVE DECREE NO. 231/2001)

Fixed-term and permanent job (Article 22, paragraph 12-*bis*, Legislative Decree no.. 286/1998)

It is penalised the employer's conduct that employs foreign workers without a residence permit, or whose permit has expired (and which has not been required the renewal within the terms established by law), revoked or cancelled, in the case more than three people are employed, or if they are minors of non-working age, or if they are subject to other particularly exploitative working conditions.

Provisions against illegal immigration (article 12, paragraph 3, 3bis, 3ter and paragraph 5 of Legislative Decree 286/1998)

Unless the fact constitutes a more serious offense, anyone, in violation of the provisions of this Consolidated Law, promotes, directs, organizes, finances or carries out the transportation of foreigners in the territory of the State or performs other acts aimed at illegally obtaining entry into the territory of the State, or of another State of which the person is not a citizen or has no permanent residence title, is penalized with imprisonment from five to fifteen years and with a fine of 15,000 euros for each person in the event that:
a) the fact concerns the illegal entry or stay in the territory of the State of five or more persons;
b) the person transported has been exposed to danger to his life or his safety in order to obtain illegal entry or stay;
c) the person transported has been subjected to inhuman or degrading treatment in order to obtain illegal entry or stay;
d) the fact is committed by three or more persons in competition with each other or by using international transport services or documents that are counterfeit or altered or in any case illegally obtained;
e) the authors of the fact have the availability of weapons or explosive materials.

The prison sentence is increased if the facts:
a) are committed in order to recruit people to be used for prostitution or in any case for sexual or labor exploitation, or they concern the entry of minors to be used in illegal activities in order to facilitate their exploitation;
b) are committed in order to make profit, even indirectly.

Outside the cases provided for in the preceding paragraphs, and unless the fact constitutes a more serious offense, anyone, in order to obtain an unfair profit from the condition of illegality of foreigners

or, in the context of activities penalized under this article, favors the stay of these people in the territory of the State in violation of the rules of this Consolidated Law is penalized with imprisonment up to four years and with a fine of up to 15,493 euros. When the act is committed in competition by two or more persons, or concerns the permanence of five or more persons, the penalty is increased from a third to a half.

(xviii) CROSS-BORDER OFFENCES, INTRODUCED BY LAW 16 NO. 146, MARCH 2006, ("RATIFICATION AND IMPLEMENTATION OF THE CONVENTION AND PROTOCOLS OF THE UNITED NATIONS AGAINST CROSS-BORDER ORGANISED CRIME")

Cross-border offences (Article 3 Law No. 146/2006)

We refer to a transnational offense if the offence is penalizable by imprisonment not less than four years in the event of an organized criminal group being involved and:

a) is committed in more than one State;
b) or is committed in one State, but a substantial part of its preparation, planning, direction or control takes place in another State;
c) or is committed in one State, but is involved in an organized criminal group involved in criminal activity in more than one State;
d) or is committed in a State but has substantial effects in another State.

As part of the wider definition of transnational crimes, they constitute the offences provided for by administrative liability of legal entities of Legislative Decree No. 231/2001, those indicated in art. 10 of Law no. 146/2006, listed below:

1. Criminal association (article 416 c.p.);
2. Mafia-type association, including foreign ones (article 416-*bis* c.p.);
3. criminal association for the smuggling of foreign manufactured tobacco (article 291-*quater*, Presidential Decree no. 43 of 23 January 1973);
4. Association for the illicit traffic of narcotic drugs or psychotropic substances (article 74 of Presidential Decree no. 309 of 9 October 1990);
5. disposition against the illegal immigration (article 12 of Legislative Decree no. 286 of 25 July 1998);
6. inducement to not make statements or to make mendacious statements to the legal judicial authorities (article 377-*bis* c.p.);
7. personal aiding and abetting (article 378 c.p.);

(xix) RACISM AND XENOPHOBIA CRIMES (ARTICLE 25-TERDECIES, LEGISLATIVE DECREE No. 231 OF 2001)

Propaganda and incitement to commit a crime for reasons of ethnic and religious racial discrimination (art.604-bis c.p.)

Offences of racism and xenophobia (Article 3 paragraph 3-bis of 13 October 1975, No. 654)

Every propaganda or instigation and incitement, committed in such a way that may give rise to concrete danger of diffusion, when based in whole or in part on the serious minimization or apology of the Holocaust or the crimes of genocide, crimes against humanity and war crimes, as defined in articles 6, 7 and 8 of the Statute of the International Court is punished.

(xx) CRIMES OF FRAUD IN SPORTS COMPETITIONS, ILLEGAL GAMBLING OR BETTING BY MEANS OF FORBIDDEN EQUIPMENT (ART. 25-QUATERDECIES, LEGISLATIVE DECREE No. 231 OF 2001)

Fraud in sports competitions (art. 1, Law no. 401/1989)

The article penalizes whoever offers or promises money or other benefits or advantages to any of the participants in a sports competition organized by the federations recognized by the Italian National Olympic Committee (CONI), by the Italian Union for the Increase of Equine Breeds (UNIRE) or by other sports organizations recognized by the State and by the associations belonging to them, in order to achieve a result other than that resulting from the correct and fair conduct of the competition, or performs other fraudulent acts for the same purpose. In minor cases, only the penalty of a fine is applied.

The competition participant is also guilty of the offence when accepting the money, other utility or advantage or accepts the promise.

The penalty for the offence is increased in the case that the result of the competition is influential for the purposes of carrying out regularly performed predictions and betting on competitions.

Unauthorized exercise of gambling or betting activities (art. 4, Law 401/1989)

The article penalizes whoever illegally organizes lottos, betting or prediction competitions that the law reserves for the State or other concessionary bodies. Whoever illegally organizes bets or prediction competitions on sporting activities managed by the Italian National Olympic Committee (CONI), by its dependent organizations or by the Italian Union for the Increase of Equine Breeds (UNIRE) is subject to the same penalty. Whoever illegally organizes public bets on other competitions involving people or animals and games of skill is also penalized. The sanctions are also applied by the article to whoever sells lottery tickets or similar drawings of chance of foreign states on the national territory, without authorization from the Autonomous Administration of State

Monopolies, as well as participates in such operations by collecting bookings of bets, accreditation of the relative winnings and promotes and advertises by any means of dissemination.

Moreover, the offence is penalized in the event that, for competitions, games or bets managed in the manner referred to in paragraph 1, except for the cases of accessory to the offences provided for by the same paragraph.

The participant in the competitions, games or bets managed in the manner referred to in paragraph 1, and except for cases of accessory to the offences as provided for by the same paragraph, is also guilty of the offence.

The provisions referred to in paragraphs 1 and 2 also apply to games of chance performed by means of the devices prohibited by Article 110 of the Royal Decree of 18 June 1931, no. 773, as amended by Law 20 May 1965, no. 507, and as most recently amended by Article 1 of the Law of 17 December 1986, no. 9043.

The sanctions referred in the article are also applied to those who (i) do not have a concession, authorization or license pursuant to Article 88 of the Consolidated Law on Public Security, approved by Royal Decree of 18 June 1931, no. 773, and subsequent amendments, but carries out any activity in Italy in order to accept, collect or facilitate the acceptance or collection, including by telephone or computer, of bets of any kind from anyone accepted in Italy or abroad.

Notwithstanding the powers attributed to the Ministry of Finance by Article 11 of the decree-law of 30 December 1993, no. 557, converted, with modifications, by the law of 26 February 1994, n. 133, and in application of article 3, paragraph 228 of law no. 549, the sanctions provided for in this article apply to anyone who collects or books lottery bets, prediction competitions or bets by telephone or computer, without specific authorization to use these means for the aforementioned collection or bookings.

(xxi) TAX OFFENCES (Article 25-QUINQUIESDECIES, LEGISLATIVE DECREE No. 231 OF 2001)

Fraudulent declaration by using invoices or other documents for non-existent operations (art.2 legislative decree 10th March 2000, n.74)

The offence occurs in the event that someone, in order to evade income or value added taxes by using invoices or other documents for non-existent transactions, indicates, in one of the relevant tax declarations, fictitious passive items.

The offence occurs when performed by making use of invoices or other documents for non-existent transactions which are recorded in the mandatory accounting records or are kept and filed as evidence for the financial authorities.

The penalty for committing the offence is reduced if the amount of the fictitious passive items is less than € 100,000.00.

Fraudulent declaration through other means (art. 3 legislative decree 10 March 2000, n.74

The offence occurs in the event that someone, in order to evade income or value added taxes, by carrying out operations objectively or subjectively simulated or by using false documents or others fraudulent means suitable to obstruct the assessment and to mislead the financial authorities, indicates, in one of the relevant tax declarations, active items for an amount lower than the actual amount ,or fictitious passive items or fictitious credits and withholdings, in case of concurrence of the following:

a) for any of each single tax, the tax evaded is higher than € 30,000.00.

b) the total amount of the active items not submitted for relevant taxation, also by declaring fictitious passive items, is greater than five percent of the total amount of the active items indicated in the declaration, or in any case, is greater than € 1,500,000,00, or if the total amount of credits and fictitious withholdings that decreases taxation, is higher than five percent of the amount of the tax itself or in any case higher than € 30,000.00.

The act is considered committed by using of false documents when such documents are recorded in the mandatory accounting records or are kept for evidence for the financial authorities.

The mere violation of the obligations relevant to invoicing and recording of the active items in the accounting records, or the only entering or recording in invoices or annotations of active items for amounts lower than the actual ones, are not considered fraudulent means.

Issuance of invoices or other documents for non-existent operations (art. 8 legislative decree 10th March 2000, n.74)

The offence occurs in the event that someone, in order to allow third parties to evade income or value added tax, issues or releases invoices or other documents for non-existent transactions.

In application of the regulation, the issue or release of multiple invoices or documents for non-existent transactions during the same tax period is considered as a unique offense.

The penalty for committing the offence is reduced if the false amount indicated in the invoices or documents, is less than € 100,000.00 per tax period.

Concealment or destruction of accounting documents (art.10 legislative decree 10th March 2000, n.74)

The offence occurs in the event that someone, in order to evade income or value added taxes, or to allow third parties to evade, conceals or destroys all or in part the accounting records or documents whose conservation is mandatory, so as not to allow the reconstruction of the income or of the turnover.

Fraudulent evasion of tax payment (article 11 legislative decree 10 March 2000, n. 74)

The offence occurs in the event that someone, in order to evade the payment of taxes on income or value added tax or interest or administrative sanctions related to said taxes for a total amount exceeding € 50,000.00, fictitiously alienates or performs other fraudulent acts on his or others' assets, in order to make ineffective the applicability of enforced recovery procedure. The penalty is increased if the amount of taxes, sanctions and interest is greater than € 200,000.00.

In addition, the offence may occur in the case that someone, in order to obtain for himself or for others a partial payment of taxes and related items, declares in the documentation submitted for the tax transaction procedure, active items for a lower amount than the actual one or fictitious passive items for a total amount exceeding € 50,000.00. The penalty is increased if the amount referred to in the previous period is greater than € 200,000.00.

Understated Tax Declaration (art. 4 of Legislative Decree No. 74/2000)[7]

The offence occurs in the event that someone, in order to evade income or value added taxes, indicates in one of the annual returns relating to these taxable assets worth an amount lower than the actual worth, or indicates non-existent passive items, is penalized when both:

a) the tax evaded is higher, with reference to some of the individual taxes, than one hundred thousand euros;

b) the total amount of the active elements subtracted from taxation, also by indicating non-existent passive elements, exceeds ten percent of the total amount of the active elements indicated in the return, or exceeds two million euros.

For the purposes of applying the regulation, the following are not considered: the incorrect classification, the evaluation of objectively existing assets or liabilities, with respect to which the criteria applied have been indicated in the financial statements or in other relevant documentation for the purposes of tax, the violation of the criteria for determining the exercise of competence, the non-inherence and the non-deductibility of real passive elements.

The assessments which, all things considered, differ by less than 10 percent from the correct statements do not give rise to penalizable offences. The amounts included in this percentage are not taken into account when verifying if the penalizable threshold has been exceeded, as established by paragraph 1, letters a) and b) of article 4 of Legislative Decree no. 74/2000.

[7] The offence as of art. 4, D. Lgs. no. 74/2000 applies for the purposes of the administrative responsibility of institutions pursuant to Leg. Decree 231/01 only when such offence is perpetrated for the purposes of avoiding value added tax within fraudulent cross-border systems connected with the territory of another European Union member state at least, giving rise, or potentially giving rise to an overall damage equal to or exceeding ten million euro.

Omitted Tax Declaration (art. 5 of Legislative Decree no. 74/2000)[8]

The offence occurs in the event that someone does not submit income or value added tax declarations, although obliged to do so, in order to evade income or value added taxes, when the tax evaded is higher than fifty thousand euros, considering each of the individual taxes.

In addition, the offence occurs in the event that someone fails to submit the withholding tax declaration, although obliged to do so, when the amount of tax withholdings exceeds fifty thousand euros.

For the purposes of applying the regulation, the declaration presented within ninety days from the term expiration or not signed or drawn up on a printed form in compliance with the prescribed model is not considered omitted.

Undue compensation (art. 10-quater of Legislative Decree no. 74/2000)[9]

The offence occurs in the event that someone fails to pay the amounts due, using as compensation undue credits, for an annual amount exceeding fifty thousand euros, pursuant to Article 17 of Legislative Decree 9 July 1997, no. 241.

Moreover, the offence occurs in the event that someone fails to pay the amounts due, using non-existent credits in compensation for an annual amount exceeding fifty thousand euros, pursuant to Article 17 of Legislative Decree 9 July 1997, no. 241.

(xxii) SMUGGLING CRIMES (ART. 25-SEXIESDECIES, LEGISLATIVE DECREE No. 231 OF 2001)

Smuggling of goods across land borders and customs spaces (art. 282 of Presidential Decree no. 43/1973)

In reference to the customs duties due, whoever commits the following offenses shall be penalized:

a) introduces foreign goods across the land border in violation of the provisions, prohibitions and limitations established pursuant to art. 16 of Presidential Decree no. 73/1943;
b) unloads or stores foreign goods in the space between the border and the nearest customs;

[8] The offence as of art. 5, D. Lgs. no. 74/2000 applies for the purposes of the administrative responsibility of institutions pursuant to Leg. Decree 231/01 only when such offence is perpetrated for the purposes of avoiding value added tax within fraudulent cross-border systems connected with the territory of another European Union member state at least, giving rise, or potentially giving rise to an overall damage equal to or exceeding ten million euro

[9] The offence as of art. 10-quater, D. Lgs. no. 74/2000 applies for the purposes of the administrative responsibility of institutions pursuant to Leg. Decree 231/01 only when such offence is perpetrated for the purposes of avoiding value added tax within fraudulent cross-border systems connected with the territory of another European Union member state at least, giving rise, or potentially giving rise to an overall damage equal to or exceeding ten million euro

c) is caught with foreign goods hidden on their person or in baggage or in packages or furnishings or among goods of another kind or in any means of transport, in order to avoid customs inspection;
d) removes goods from customs areas without having paid the duties due or without having guaranteed payment, except for the provisions of art. 90 of Presidential Decree no. 73/1943;
e) carries out of the customs territory, under the conditions set out in the previous letters, national or nationalized goods subject to customs duties;
f) detains foreign goods, when the circumstances provided for in the second paragraph of art. 25 of Presidential Decree no. 73/1943 for the crime of smuggling.

Smuggling of goods across border lakes (art. 283 of Presidential Decree no. 43/1973)

In reference to the customs duties due, the captain who commits the following offense shall be penalized:

a) introduces foreign goods through Lake Maggiore or Lake Lugano into the Porlezza basins without presenting them to one of the national customs offices closest to the border, except for the exception provided for in the third paragraph of art. 102 of Presidential Decree no. 73/1943;
b) transports, without the permission of the customs, foreign goods in ships along the stretches of Lake Lugano where there are no customs, the national banks opposite to the foreign ones or drops anchor or drifts or in any case communicates with the customs territory of the State, so that the unloading or loading of the goods themselves is easy, except in cases of force majeure.

Anyone hiding foreign goods in the ship in order to remove them from customs inspection is similarly penalized.

Smuggling of goods by sea (art. 284 of Presidential Decree no. 43/1073)

In reference to the customs duties due, the captain who commits the following offense shall be penalized:

a) carries, without the permission of customs, foreign goods by ships, skims the seashore or drops anchor or drifts near the beach itself, except in cases of force majeure;
b) lands in places where there are no customs, or disembarking while carrying foreign goods, the goods themselves in violation of the provisions, prohibitions and limitations established pursuant to art. 16 of Presidential Decree no. 73/1943, except in cases of force majeure;
c) transports foreign goods without documentation by ship of a net tonnage not exceeding two hundred tons, in cases where the documentation is required;
d) does not have on board the foreign or domestic goods for export with restitution of duties that should be there according to the documentation and other customs documents at the time of departure of the ship;
e) transports foreign goods from one customs office to another, with a ship of a net tonnage not exceeding fifty tons, without the relevant deposit bill;

f) has loaded on board foreign goods when leaving the customs territory on a ship of not more than fifty tons, except for the provisions of art. 254 of Presidential Decree no. 73/1943 for the loading of on-board supplies.

In the same way, anyone hiding foreign goods in the ship in order to remove them from customs inspection is similarly penalized.

Smuggling of goods by air (art. 285 of Presidential Decree No. 43/1973)

In reference to the customs duties due, the aircraft commander who commits the following offense shall be penalized:

a) transports foreign goods into State territory without being equipped with the proper documentation, when this is required;
b) does not have foreign goods on board at the time of departure of the aircraft, when there should be according to the documentation and other customs documents;
c) removes goods from the aircraft landing places without carrying out the required customs operations;
d) lands outside a customs airport and failing to report, within the shortest time, the landing to the Authorities indicated in art. 114 of Presidential Decree no. 73/1943. In such cases, in addition to the cargo, the aircraft is also considered to be smuggled into the customs territory.

In the same way, anyone who airdrops foreign goods into the customs territory from an aircraft mid-flight or hides them in the aircraft itself in order to remove them from the customs inspection, is similarly penalized.

Smuggling in non-customs areas (art. 286 of Presidential Decree no. 43/1973)

In reference to the customs duties due, whoever establishes an unauthorized storage area for foreign goods subject to customs duties in duty-free territories indicated in art. 2 of Presidential Decree no. 73/1943, or establishes them to an extent greater than that permitted is penalized.

Smuggling for improper use of imported goods with customs facilities (art. 287 DPR n. 43/1973)

In reference to the customs duties due, whoever gives foreign goods imported duty-free and with a reduction of the custom duties themselves a destination or use, in whole or in part, other than that for which they were created, except as provided for in art. 140 of Presidential Decree no. 73/1943.

Smuggling in customs warehouses (art. 288 of Presidential Decree no. 43/1973)

In reference to the customs duties due, in the event that the concessionaire of a privately owned customs warehouse, whoever keeps foreign goods there that do not have the required declaration of introduction or which are not recorded in the storage registers, is penalized.

Smuggling in coastal navigation and traffic (art.289 DPR n. 43/1973)

In reference to the customs duties due, whoever introduces foreign goods into the State in substitution of national or nationalized goods sent by coastal navigation or in circulation.

Smuggling in the export of goods eligible for the restitution of duties (art. 290 of Presidential Decree no. 43/1973)

Whoever uses fraudulent means in order to obtain undue restitution of duties established for the import of raw materials used in the manufacture of domestic goods that are exported is penalized.

Smuggling in temporary import or export (art. 291 of Presidential Decree no. 43/1973)

Whoever, in the operations of temporary import or export or in the operations of re-export and re-import, manipulates the goods or uses other fraudulent means to subtract goods from the payment of fees that would be due shall be penalized.

Smuggling of foreign manufactured tobaccos (art. 291-bis of Presidential Decree no. 43/1973)

Whoever introduces, sells, transports, buys or holds in State territory a quantity of foreign, processed tobacco contraband in excess of ten conventional kilograms, as defined by article 9 of Law 7 of March 1985, n. 76.

The penalty is decreased if the cases provided for in paragraph 1 entail a quantity of up to ten conventional kilograms of tobacco processed abroad.

Aggravating circumstances of the crime of smuggling foreign manufactured tobaccos (art. 291-ter of Presidential Decree no. 43/1973)

If the offences provided for in Article 291-bis of Presidential Decree no. 73/1943 are committed using means of transport belonging to persons unrelated to the crime, the penalty is increased. In particular, when:

a) in committing the offence or in conduct aimed at ensuring the price, product, profit or impunity of the offense, the offender makes use of weapons or ascertains having possessed them in the execution of the offence;
b) in committing the crime or immediately afterwards, the perpetrator is caught together with two or more people in conditions such as to impede the police bodies;
c) the offense is connected with another crime against public faith or against the public administration;
d) in committing the crime, the perpetrator used means of transport which, compared to the approved characteristics, present alterations or modifications capable of hindering the intervention of the police or causing danger to public safety;
e) in committing the offence, the perpetrator used partnerships or corporations, or used available funds in any way obtained in States that have not ratified the Convention on Money-Laundering, Search, Seizure and Confiscation of the proceeds of crime, established in

Strasbourg on 8 November 1990, ratified and enforced pursuant to law no. 328, and in any case States that have not stipulated and ratified judicial assistance conventions with Italy concerning the crime of smuggling.

The extenuating circumstance provided for by article 62-bis of the criminal code, if it concurs with the aggravating circumstances referred to in letters a) and d) of paragraph 2 of this article, cannot be considered equivalent or prevalent with respect to them. The reduction of the sentence is applied to the amount of penalty resulting from the increase resulting from the aforementioned aggravating circumstances.

Criminal association for smuggling foreign manufactured tobaccos (art. 291-quater of Presidential Decree no. 43/1973)

The article penalizes whoever promotes, establishes, directs, organizes or finances the association, in the case that it has to deal with three or more persons group together for the purpose of committing more than one of the crimes established in article 291-bis of Presidential Decree no. 73/1943. Whoever participates in the association is also penalized.

The penalty is increased if the number of members is ten or more.

The penalty is increased when the association is armed, rather if the circumstances established by letters d) or e) of paragraph 2 of article 291-ter are met. The association is considered armed when the participants have weapons or explosive materials, even if hidden or kept in storage, available to them for the achievement of the purposes of the association.

The penalties are instead reduced for the accused who, by dissociating himself from the others, does his best to prevent the criminal activity from being brought to further consequences, as well as by concretely helping the police or the judicial authority in the collection of decisive elements for the reconstruction of the offences and for the identification or capture of the perpetrators of the crime and the identification of relevant resources for the commission of the crimes.

Other cases of smuggling (art. 292 of Presidential Decree no. 43/1973)

Whoever someone subtracts goods from the payment of the customs duties due, aside from the cases provided for in the previous articles is penalized.

Aggravating circumstances of smuggling (art. 295 of Presidential Decree no. 43/1973)

For the crimes established in the previous paragraphs, when the perpetrator of a crime uses means of transport belonging to a person unrelated to the crime in order to smuggle, in so doing constitutes aggravating circumstances.

For the same offences, the penalty is increased in the following cases:

a) when committing the offence, or immediately thereafter in the surveillance area, the guilty party is caught at gunpoint;

b) when committing the offence, or immediately thereafter in the surveillance area, three or more persons guilty of smuggling are caught together and in conditions such as to impede the police;
c) when the offence is connected with another crime against public faith or against the public administration;
d) when the offender is an associate in committing smuggling crimes and the crime committed is one of those for which the association was established;

d-bis) when the amount of customs duties due exceeds one hundred thousand euros.

For the same crimes, the penalty is increased to the fine and imprisonment of up to three years is added when the amount of border rights due is greater than fifty thousand euros and not more than one hundred thousand euros.

(xxiii) CRIMES AGAINST CULTURAL HERITAGE (ART. 25- SEPTIESDECIES, D.LGS. N. 231 OF 2001)

Theft of cultural heritage assets (Article 518-bis of the Criminal Code)

This offense incriminates anyone who takes possession of movable cultural property of others, stealing it from those who own it, in order to profit from it, for themselves or for others, or who takes possession of cultural property belonging to the State, whether found buried or on the seafloor, as well as if the offense is aggravated by one or more of the circumstances provided for in the first paragraph of article 625 or if the theft of cultural property belonging to the State, as found buried or in the seafloor, is committed by whoever obtained the concession research required by law.

Misappropriation of cultural heritage assets (Article 518-ter of the Criminal Code)

Anyone who, in order to obtain an unjust profit for himself or others, appropriates cultural assets of another which he or she owns for any reason is punished.

If the offense is committed on things held as a necessary deposit, the penalty is increased.

Receipt of cultural heritage assets (Article 518-quater of the Criminal Code)

Apart from cases of participation in the crime, anyone who, in order to procure a profit for themselves or others, purchases, receives or conceals cultural heritage assets deriving from any crime, or in any case interferes in having them purchased, received or concealed is punished.

The penalty is increased when the offense concerns cultural heritage assets deriving from the crimes of aggravated robbery pursuant to article 628, third paragraph, and aggravated extortion pursuant to article 629, second paragraph.

The provisions of this article also apply when the perpetrator of the crime from which the cultural property originates is not attributable or not punishable or when there is no condition of admissibility relating to this crime.

Forgery of a private deed relating to cultural heritage assets (Article 518-octies of the Italian Penal Code)

Anyone who forms, in whole or in part, a false private deed or, in whole or in part, alters, destroys, suppresses or conceals a true private deed, in relation to movable cultural heritage assets, in order to make its origins appear lawful is punished. .

Anyone who makes use of the private agreement referred to in the first paragraph, without having participated in its formation or alteration, is also punished.

Violations relating to the transfer of cultural heritage assets (Article 518-novies of the Italian Penal Code)

The rule punishes:

1) anyone who places cultural heritage assets on the market without the required authorization;

2) whoever is required to do so, but does not submit within thirty days the denunciation of the deeds of transfer of ownership or possession of cultural assets;

3) whoever transfers cultural heritage assets subject to pre-emption who carries out the delivery of the thing pending the term of sixty days from the date of receipt of the transfer report.

Illegal importation of cultural assets (Article 518-decies of the Italian Penal Code)

The article in question punishes anyone who imports cultural heritage assets originating from a crime or found as a result of searches carried out without authorization where provided for by system of the State in which the discovery took place or exported from another State in violation of the law on the protection of the cultural heritage of that State.

Illegal exit or export of cultural heritage assets (Article 518-undecies of the Italian Penal Code)

Anyone who transfers abroad cultural heritage objects of artistic, historical, archaeological, ethno-anthropological, bibliographic, documentary or archival interest or other things subject to specific protection provisions pursuant to the legislation on cultural assets without a certificate of free circulation or export license is punished.

The penalty provided for in the first paragraph is also applied to anyone who does not return to the national territory at the expiry of the term cultural heritage assets of artistic historical archaeological ethno-anthropological bibliographic documentary or archival interest or other things subject to specific protection provisions pursuant to the legislation on cultural heritage assets for which the temporary exit or export has been authorized as well as towards anyone who makes false declarations in order to prove to the competent export office in accordance with the law that things of cultural interest cannot be subjected to authorization to exit from the national territory.

Destruction, dispersion, deterioration, defacing, disfigures and illicit use of cultural heritage or landscape assets (Article 518-duodecies of the Italian Penal Code)

Anyone who destroys, disperses, deteriorates or renders their own or others' cultural heritage or landscape assets totally or partially useless or useless is punished.

Apart from the cases referred to in the first paragraph, anyone who disfigures or smears their own or others' cultural or landscape assets or assigns cultural heritage assets to a use that is incompatible with their historical or artistic character or prejudicial to their conservation or integrity is also punished.

The conditional suspension of the sentence is subject to the restoration of the state of the places or to the elimination of the harmful or dangerous consequences of the crime or to the provision of unpaid activities in favour of the community for a fixed period in any case not exceeding the duration of the suspended sentence according to the procedures indicated by the judge in the sentence.

Counterfeiting of works of art (Article 518-quaterdecies of the Italian Penal Code)

The rule punishes:

1) anyone who, in order to make a profit, counterfeits, alters or reproduces a work of painting, sculpture or graphics or an object of antiquity or of historical or archaeological interest;

2) whoever, even without having participated in the counterfeiting, alteration or reproduction, puts on the market, holds to trade it, introduces for this purpose into the territory of the State or in any case puts into circulation, as authentic, counterfeit, altered or reproduced copies of works of painting, sculpture or graphics, of objects of antiquity or of objects of historical or archaeological interest;

3) whoever, knowing their falsity, authenticates works or objects indicated in numbers 1) and 2) counterfeited, altered or reproduced;

4) whoever, through other declarations, appraisals, publications, affixing stamps or labels or by any other means, accredits or contributes to accredit, knowing the falsity, as authentic works or objects indicated in numbers 1) and 2) counterfeited, altered or reproduced.

The confiscation of counterfeit, altered or reproduced specimens of the works or objects indicated in the first paragraph is always ordered, except in the case of things belonging to persons unrelated to the crime. It is forbidden to sell confiscated objects, without time limits, in auctions.

(xxiv) LAUNDERING OF CULTURAL HERITAGE AND DEVASTATION AND RAIDING OF CULTURAL AND LANDSCAPE HERITAGE (ART. 25- DUODEVICIES, D.LGS. N. 231 OF 2001)

Laundering of cultural heritage assets (Article 518-sexies of the Italian Penal Code)

Apart from the cases of participation in the crime, anyone who replaces or transfers cultural heritage assets deriving from a non-culpable crime, or carries out other operations in relation to them, in order to hinder the identification of their criminal origin is punished.

The penalty is reduced if the cultural heritage asset originates from a crime for which a prison sentence of less than a maximum of five years is established.

The provisions of this article also apply when the author of the crime from whom the cultural assets come from is not attributable or not punishable or when there is no condition of admissibility referring to this crime.

Devastation and pillage of cultural heritage and landscape assets (Article 518-terdecies of the criminal code)

Anyone who, apart from the cases provided for by article 285, commits acts of devastation or pillage involving cultural heritage or landscape assets or institutions and places of culture is punished with imprisonment from ten to sixteen years.

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In relation to the categories of offenses listed above, it is stated that:

- Pursuant to art. 4 of Legislative Decree 231/2001, the liability of Saipem S.p.A. and of Saipem Group companies based in Italy remains when the offense is committed abroad.
- Pursuant to art. 26 of Legislative Decree 231/2001, the entity can be sanctioned, albeit to a lesser degree, even for the simple commission of suitable and targeted acts meant to commit unequivocally one of the offenses, even though the action is not carried out or the event does not occur.