ORGANISATIONAL, MANAGEMENT AND
CONTROL MODEL
Pursuant to Legislative Decree
No. 231 of 8 June 2001

APPROVED BY THE BOARD OF DIRECTORS ON 30 JULY 2020
VERSION 12

The English version is a translation of the Italian official “Modello di organizzazione, gestione e controllo”
For any conflict or discrepancies between the two texts the Italian version shall prevail.
INDEX

SECTION 1 - LEGISLATIVE DECREES NO. 231 OF 8 JUNE 2001 ..................................4

1.1. ADMINISTRATIVE LIABILITY OF ENTITIES .................................................. 4
1.2. OFFENSES FALLING WITHIN THE SCOPE OF THE DECREES ....................... 5
1.3. PENALTIES IMPOSED UNDER THE DECREES ............................................. 6
1.4. PRE-REQUISITE FOR EXEMPTION FROM ADMINISTRATIVE CORPORATE LIABILITY .......................................................................................................... 6
1.5. OFFENSES COMMITTED ABROAD ................................................................. 7
1.6. CONFINDEUTRIA GUIDELINES ......................................................................... 7

SECTION 2 – ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL OF FINCANTIERI S.P.A. ........................................................................................................... 9

2.1. THE COMPANY .................................................................................................. 9
2.2. GOVERNANCE AND ORGANISATIONAL STRUCTURE OF FINCANTIERI S.P.A ................................................................. 9
2.3. RECIPIENTS ...................................................................................................... 10
2.4. PURPOSES OF THE MODEL ........................................................................... 10
2.5. BASIC ELEMENTS OF THE MODEL ............................................................... 11
2.6. MAPPING OF ACTIVITIES AT RISK TO THE COMMISSION OF OFFENCES TARGETED BY THE DECREES ........................................................................... 12
2.7. THE INTERNAL CONTROL SYSTEM ............................................................... 13
2.8. ADOPTION OF THE MODEL BY GROUP COMPANIES ................................ 16

SECTION 3 - OVERSIGHT BOARD ............................................................................. 18

3.1. TERM, DISQUALIFICATION AND DISMISSAL ............................................. 18
3.2. POWERS AND FUNCTIONS OF THE OVERSIGHT BOARD ....................... 20
3.3. INFORMATION FLOWS PERTAINING TO THE OVERSIGHT BOARD ........ 21
3.4. INFORMATION FLOWS TOWARDS THE OVERSIGHT BOARD ................. 22

SECTION 4 – DISCIPLINARY SYSTEM .................................................................... 25

4.1. PENALTIES APPLICABLE TO EMPLOYEES ................................................ 25
4.2. PENALTIES APPLICABLE TO MANAGERS ............................................... 26
4.3. **Penalties for Outside Collaborators Subject to Direction or Oversight** ........................................................................................................... 28

4.4. **Measures Against Company Directors** ........................................ 28

4.5. **Measures Against Individuals in Apical Positions** ......................... 29

4.6. **Measures Against Members of the Board of Statutory Auditors** ........................................................................................................... 30

4.7. **Measures Against Outside Consultants and Partners** ................. 30

**SECTION 5 - CIRCULATION OF THE MODEL** .................................. 31

**SECTION 6 - ADOPTION AND UPDATING OF THE MODEL** ............. 33

**ANNEX 1** .............................................................................................. 34
SECTION 1 - LEGISLATIVE DECRETE NO. 231 OF 8 JUNE 2001

1.1. ADMINISTRATIVE LIABILITY OF ENTITIES

In accordance with EU requirements, Legislative Decree No. 231 of 8 June 2001 laying down “Rules regulating the administrative liability for legal entities, companies and associations including those which are not bodies corporate” (hereinafter also referred to as “Legislative Decree 231/2001” or even merely the “Decree”) that entered into force on 4 July 2001 pursuant to Article 11 of Enabling Law No. 300 of 29 September 2000, introduced into the Italian legal system, the concept of the administrative corporate liability of entities, it being understood that “entities” are to be deemed to include joint-stock corporations, commercial companies, partnerships, as well as joint ventures and associations, with or without legal personality.

The Decree was also aimed at bringing the Italian legal framework governing corporate liability into compliance with several international treaties, to which Italy had already signed up and in particular with:

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

This new form of liability, whilst defined as “administrative” under law, features characteristics typical of criminal liability, since it is the competent criminal courts that are in charge of determining whether or not one of the underlying offences giving rise to administrative corporate liability has, in fact, been committed, and the entity is afforded all the due process rights available to defendants in criminal trials.

Administrative corporate liability arises from the commission, in the interest or for the benefit of the entity, of one or more of the offences specifically listed in Legislative Decree 231/2001, by any individual vested with powers of corporate representation, administration or management in respect of the entity or of one of the latter’s financially and functionally independent organisational units, or otherwise, exercising, albeit on a de facto basis, managerial oversight and control (so-called “individuals in apical positions”) or subjected to the supervision and managerial direction of the former (so-called “subordinates”). Conversely, no entity may be held liable for any offence committed with the intention of securing gain solely for the perpetrator or a third party unrelated to the entity which, in such circumstances, could in no way be linked to the offence in question.

In addition to the foregoing pre-conditions for the incurrence of administrative corporate liability, Legislative Decree 231/2001 also requires the entity to be found guilty of the underlying offences in question. This requirement arises from “organisational negligence” and that is to say, the entity’s failure to adopt adequate and appropriate measures aimed at preventing the individuals specified in the Decree, from committing one or more of the offences listed the Decree.

Administrative corporate liability does not arise in the event where the entity is in a position to establish that it has adopted and effectively implemented an organisational layout that effectively prevents the commission of the offences in question, through the adoption of the organisational, management and control model contemplated in Legislative Decree 231/2001.

It must be pointed out that administrative corporate liability is to be considered supplementary to criminal liability and does not in any way diminish the liability of the individual who materially committed the offence; both these forms of liability are assigned by the criminal courts.

Administrative corporate liability may arise even if the underlying offence is merely attempted and...
not fully committed (pursuant to Article 26 of Legislative Decree 231/2001), and that is to say, in cases where the perpetrator engages in conduct clearly aimed at committing the offence even though the actual \textit{actus reus} of the offence is abandoned or unsuccessful.

1.2. **OFFENSES FALLING WITHIN THE SCOPE OF THE DECREE**

The offences giving rise to administrative corporate liability are expressly and specifically listed in Legislative Decree 231/2001 as further amended and extended.

The broad “categories of offence” currently falling within the scope of Legislative Decree 231/2001, are listed below, whilst ANNEX 1 to this document itemizes the various offences falling under each category:

1. Crimes against the Public Administration (Articles 24 and 25);
2. Computer crimes and unlawful data processing, introduced by Law No. 48/2008 (Article 24-bis);
3. Organised crime offences, introduced by Law No. 94/2009 (Article 24-ter);
4. Crimes relating to counterfeiting money, public credit cards and revenue stamps and instruments or identifying signs, introduced by Law No. 409/2001 and amended by Law No. 99/2009 (Article 25-bis);
5. Crimes against industry and commerce, introduced by Law No. 99/2009 (Article 25-bis 1);
6. Corporate crimes, introduced by the Legislative Decree 61/2002, and amended by Law No. 262/2005, Law No. 190/2012, Law No. 69/2015 and Legislative Decree n.38/2017 (Article 25-ter);
7. Crimes for the purposes of terrorism or subversion of the democratic order, introduced by Law No. 7/2003 (Article 25-quater);
8. Practices entailing the mutilation of the female genital organs, introduced by Law No. 7/2006 (Article 25-quater 1);
10. Market abuse offences, introduced by Law No. 62/2005 and amended by Law No. 262/2005 (Article 25-sexies);
11. Transnational crimes, introduced by Law No. 146/2006;
12. Unintentional offences committed as a result of breaches of accident-prevention and occupational health and safety regulations, introduced by Law No. 123/2007 (Article 25-septies);
13. Receiving, laundering and using money, assets and profits obtained illegally, introduced by Legislative Decree 231/2007, as well as self-laundering (Article 25-octies);
14. Offences relating to breach of copyright, introduced by Law No. 99/2009 (Article 25-novies);
15. Intimidation or bribery of witnesses, or subornation of perjury, introduced by Law No. 116/2009 (Article 25-decies);
16. Environmental offences, introduced by Legislative Decree 121/2011, and amended by Law No. 68/2015 (Article 25-undecies);
17. Employment of illegally staying third-country nationals, introduced in the Decree by Legislative Decree 109/2012 (Article 25-duodecies);
18. Racism e xenophobia, introduced in the Decree by Law n. 167 dated 20 November 2017, Article 5 paragraph 2 (Article 25-terdecies);
19. Fraud in sports events, unauthorized exercise of game or bet and gambling exercised by means of prohibited apparatus, introduced in the Decree by Law n. 401 dated 13 December 1989 (art. 25-querdecies).

1.3. PENALTIES IMPOSED UNDER THE DECREE
The disciplinary framework contemplated under Legislative Decree 231/2001 for the commission of one or more of the aforesaid offences, provides, depending on the offence or offences in question, for the imposition of the following administrative penalties:

- fines;
- disqualification/suspension;
- confiscation;
- publication of the Court decision.

Disqualification may be imposed, including by way of interlocutory injunction, only if specifically provided for, and include:

- disqualification from engaging in business;
- suspension or revocation of authorisations, licences, or contracts allowing to commit the offence;
- disqualification from contracting with the Public Administration;
- disqualification from financing, subsidies and other contributions, as well as the revocation of those already granted;
- disqualification from advertising goods and services.

Legislative Decree 231/2001 also envisages that, if conditions are met for disqualification giving rise to interruption of the entity’s activity the judge orders the entity’s activity to continue and to be run by a temporary receiver (Article 15) for a period amounting to the duration of the disqualification which would have been applied when at least one of the following conditions is met:

- the entity performs a public service or an essential public service interruption of which may cause serious harm to the community;
- interruption to the entity’s activity may cause serious repercussions to levels of employment, taking into consideration the size and economic conditions of the territory in which it is situated.

1.4. PRE-REQUISITE FOR EXEMPTION FROM ADMINISTRATIVE CORPORATE LIABILITY
Article 6 of Legislative Decree 231/2001 sets out that the entity is not liable if it is able to demonstrate that:

- the executive body adopted and efficiently enacted, prior to commission of the act, organisational and management models which are capable of preventing offences of the type occurring;
- the task of overseeing such operations, compliance with the models and seeing to updating of same has been delegated to an body within the entity vested with powers to act on its own initiative and conduct monitoring (so called Oversight Board);
- the persons committed the offence by fraudulently circumventing the organisational and management models;
- there has been no omission or insufficient oversight on the part of the Oversight Board.
The adoption of the organisational, management and control model, therefore, enables entities to avoid administrative corporate liability. The mere adoption of such a document by Board resolution is not, however, in and of itself, sufficient to preclude such liability, since the model must also be efficiently and effectively implemented.

To be deemed efficient in preventing the commission of the offences contemplated in Legislative Decree 231/2001, the organisational, management and control model must:

- identify the activities in relation to which offences may be committed;
- provide for specific direct protocols and schedule training and implementation of decisions by the entity regarding offences to be prevented;
- provide for specific protocols for financial resources management to prevent offences from being committed;
- provide for obligations to disclose information to the board tasked with overseeing the working of and compliance with the models;
- introduce a disciplinary system to punish non-compliance with the measures set out in the organisational, management and control model.

For the requirement of the effective implementation to be met, Legislative Decree 231/2001 requires the organisational, management and control model to be:

- subject to periodic verification and due amendment and updating in the event of the discovery of significant breaches of its provisions and/or changes in the entity’s organisational layout or business and/or regulatory reforms;
- endowed with a disciplinary framework entailing the imposition of penalties for breaches of provisions of the organisational, management and control model.

**1.5. Offenses Committed Abroad**

Pursuant to Article 4 of the Decree, the entity may be held liable in Italy for certain offences committed outside the country. More specifically, Article 4 of the Decree provides that entities headquartered in Italy may be held liable for offences committed overseas in the cases and subject to the conditions set forth in Articles 7 through 10 of the Italian Criminal Code, provided that the relevant authorities of the country in which the offence was committed decline or fail to launch proceedings in such regard.

Entities may, accordingly, incur administrative corporate liability in Italy, for offences committed abroad, if one or more of the following conditions are met:

- the entity is headquartered in Italy, and that is to say, it is administered and managed from Italy even though it may be incorporated or officially maintain registered offices elsewhere (in the case of entities endowed with legal personality) or it engages in business on an ongoing basis in Italy (entities without legal personality);
- the authorities of the country within the jurisdiction of which the offence was committed, decline or fail to launch proceedings against the entity in such regard;
- the entity is amongst the persons and parties covered by an authorisation to launch proceedings, duly issued by the Italian Minister of Justice.

The aforesaid rules apply to offences entirely committed outside Italy whether by individuals in apical positions or their subordinates. Offences committed in Italy, albeit only in part, are subject to the principle of territoriality entrenched in Article 6 of the Italian Criminal Code which provides that “the offence is considered committed in Italy if the related actus reus or omission takes place in whole or in part in Italy, or if the event resulting from the actus reus or omission occurs in Italy.”

**1.6. Confindustria Guidelines**

Article 6 of Legislative Decree 231/2001 expressly provides that organisational, management and
control models may be adopted on the basis of codes of conduct drawn up by trades associations representing entities.

The Guidelines issued by Confindustria (Italian Manufacturing Companies Association) were approved by the Ministry of Justice pursuant to Ministerial Decree dated 4 December 2003. The subsequent update published by Confindustria on 24 May 2004 was approved by the Ministry of Justice which found that the said Guidelines were well-suited to the pursuit of the goals contemplated in the Decree. The March 2014 update of the Guidelines was approved by the Ministry of Justice on 21 July 2014.

In defining the organisational, management and control model, the Confindustria Guidelines provide for the following project phases:

- identification of risks, namely the analysis of the business environment to highlight how and in which business areas the Offences listed in Legislative Decree 231/2001 can occur;
- Setting up of a control system suitable to prevent the risk of occurrence of the Offences identified in the previous phase, through the evaluation of the control system existing within the entity and its degree of adaptation to the requirements of Legislative Decree 231/2001.

The most significant components of the oversight system contemplated under Confindustria’s Guidelines so as to ensure the effectiveness of the organisational, management and control model, include:

- the provision of ethical principles and rules of conduct in a Code of Ethics or Code of Conduct;
- a sufficiently clear, formalised, and up-to-date organisational framework, particularly with regard to the allocation of responsibilities, reporting lines and description of tasks with specific provisions for control principles;
- manual and/or IT procedures which govern the conduct of activities, with appropriate controls;
- authorisation and signature powers consistent with the organisational and managerial responsibilities assigned by the entity, providing, where required, an indication of expenditure limits;
- integrated oversight systems that, taking due account of operating risks, ensure the timely reporting of ongoing or emergent general and/or specific critical situations;
- periodically repeated, adequately detailed, clear, authoritative and effective employee outreach and awareness initiatives involving all staff levels, supplemented by an adequate personnel training programme, modulated in function of the levels of the targeted employees.

Confindustria’s Guidelines further specify that the components of the oversight system outlined above, must comply with a series of control criteria, including:

- verifiability, traceability, coherence with and appropriateness for the relevant operating activity, transaction or task;
- strict segregation of duties and functions (no single individual should independently manage an entire process);
- adoption, implementation and documentation of specific supervisory procedures for work processes and areas of activity at risk to the commission of offences.
SECTION 2 – ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL OF FINCANTIERI S.P.A.

2.1. THE COMPANY

Fincantieri S.p.A. (hereinafter, referred to as either “Fincantieri” or the “Company”) is the operating parent company of the Fincantieri Group, a world leader in the construction of cruise ships and a leading operator in other sectors, from naval vessels to cruise ferries, mega yachts, special high value-added ships, ship repair and conversion, and offshore vessels.

The Trieste-based Group operates on a global scale in 13 countries spanning four continents (Europe, North America, South America and Asia), with 20 shipyards located in Italy, Norway, Romania, the U.S., Brazil, and Vietnam, as well as joint-venture in the United Arab Emirates, and a total workforce of about 19,200. In 2013, the Group acquired VARD, a corporation listed on the Singapore stock exchange, that specialises in the construction of support vessels for offshore oil and gas extraction and production. Thanks to the acquisition, Fincantieri doubled in size to become the main shipbuilder in the Western world and the very first in terms of diversification and operations in all the industry’s high value-added segments.

Fincantieri’s business is highly diversified in terms of end markets, geographical exposure and customer base, with revenues evenly spread amongst cruise ship, naval vessel and offshore unit construction. This enables the company to offset the effects of any demand volatility on end markets, compared to less diversified players.

By listing on the electronic share market (MTA) in Italy, in 2014, Fincantieri S.p.A. achieved a crucial milestone towards boosting growth through gains not only in volumes but also in efficiency, in line with a process that has deeply transformed the Fincantieri Group over the past decade, turning it into a global player with unrivalled diversification of operations, and the foremost shipbuilder in the Western world.

2.2. GOVERNANCE AND ORGANISATIONAL STRUCTURE OF FINCANTIERI S.P.A.

The Company adopts a traditional management system, entailing a Shareholders' Meeting, a Board of Directors and a Board of Statutory Auditors. The statutory audit is entrusted to an independent auditing firm.

The Shareholders' Meeting has the task of taking the most important decisions for the company’s future, including the appointment of the governing bodies, the approval of the Annual Report and the amendments to the By-laws.

The Board of Directors, which is responsible for the management of the company, has delegated some of its powers to the Chief Executive Officer and has established four Internal Committees (Control and Risk Committee, Nomination Committee, Compensation Committee and Sustainability Committee) with advisory and consulting functions in order to assist the Board in its business management activity.

The legal representative of the Company is the Chairman of the Board of Directors as well as the Chief Executive Officer within the limits of the powers conferred.

Fincantieri is subject to the general rules for listed companies and to special rules concerning the activity.

The Company also provided in its By-laws (Article 6-bis), pursuant to Article 3 of Italian Legislative Decree No. 332 dated 31 May 1994, as amended and converted into Law No. 474 dated 30 July 1994, an ownership limit to which no person (other than the State, public entities or entities controlled by them) may possess, for any reason, Company’s shares that constitute a shareholding of more than 5 per cent of the share capital.
It is also recalled that the Company is subject to the law pursuant to Article 1 of the Italian Legislative Decree No. 21 dated 15 March 2012, as amended and converted into Law No. 56 of 11 May 2012, relating to the special powers of the Government in the defence and national security sectors over those companies with activities of strategic importance for national defence and security, as defined by Article 1 of Prime Ministerial Decree No. 253 of 30 November 2012.

The main Company’s operations are organised under the following Business Units:

- **Merchant Ships**, which deals with the management of orders for the construction of large Cruise ships, ferry boats and large yachts (i.e., over 70m in length). This Business Unit is headquartered in Trieste, at the Palazzo della Marineria, with design and shipbuilding operations conducted at shipyards in Monfalcone, Porto Marghera, Genova - Sestri Ponente, Ancona and Castellammare di Stabia.

- **Naval Vessels**, which manages orders for the construction of naval combat vessel, auxiliary craft and submarines. Headquartered in Genoa, the BU’s design and shipbuilding operations are conducted at the Riva Trigoso (Genova) and Muggiano (La Spezia) shipyards. The Marine System and Components Business Unit, which designs and manufactures systems and components with high technological content mainly used in the maritime sector, is part of the Naval Vessel BU.

- **Services**, which is dedicated to the “restructuring” and refitting of cruise ships and ferries and to offer integrated logistic support solutions along the ships life cycle. The business unit is headquartered in Trieste, whilst operations are concentrated mainly at the Palermo shipyard. The business unit is organised with a series of Functions in charge of sales and the management and oversight of orders.

Staff functions are centralised and tasked with providing the necessary support and coordination to the business units. The main Departments are:

- **Procurement**, in charge of selecting, codifying and periodically checking suppliers;
- **Operations and Strategic Planning**, in charge of product and process development;
- **Human Resources and Industrial Relations**, in charge of selecting and managing personnel and of the industrial relations;
- **Administration, Finance & Control (CFO)**, in charge of financial management, administrative and accounting activities, management control and investor relations;
- **Legal Affairs**, in charge of managing legal issues, apart from those pertaining to the conclusion of sales contracts and any related litigation;
- **Marketing Communications, Media Relations and Public Affairs**, tasked with liaising with the media and managing operating marketing and institutional communications.

### 2.3. Recipients

The provisions of this Model are binding on all members of the Company’s governing and supervisory boards, managers and employees of Fincantieri S.p.A., as well as any and all persons and parties operating towards the achieving the Company’s goals and objectives (hereinafter the “Recipients”).

### 2.4. Purposes of the Model

Within the context outlined above, Fincantieri is particularly attentive not only to the need to ensure correctness and transparency in all business dealings and corporate operations, so as to safeguard its image and reputation, live up to stakeholders’ expectations and respect the efforts of its employees, but also to the importance of adopting an Organisational, Management and Control Model within the
meaning of Legislative Decree 231/2001 (hereinafter, the “Model”) designed to prevent the commission of offences by any of its directors, employees and collaborators operating under the Company’s managerial direction or supervision.

Although the Decree imposes no obligation to adopt a Model, leaving such option to the discretion of each entity, taking due account of the reasons set forth above, the Company has decided to comply with the provisions of the Decree by launching an analysis of its organisational, management and control instruments, with a view to verifying whether or not currently prevailing principles of conduct and control mechanisms are suited to the pursuit of the same goals contemplated in the Decree, fine-tuning and updating the existing system, as required.

The first version of the Company’s Organisational, Management and Control Model within the meaning of Legislative Decree 231/2001 was accordingly approved by resolution Fincantieri’s Board of Directors on 29 July 2002, and subsequently updated in the following years, in order to take account of regulatory reforms and changes in the Company’s organisational structure.

Aware of the need to maintain the Model updated so as to ensure its efficiency in preventing the commission of the underlying offences contemplated in the Decree, the Company has approved the current version of the Model taking due account of organisational changes as well as the risk of commission of newly introduced underlying offences, within the framework of Fincantieri’s operations.

The goals pursued by the Company through the adoption of the Model, include:

- prohibiting and preventing behaviour that could be construed as entailing the commission of one of the offences listed in the Decree;
- boosting awareness of the fact that breaches of the Decree, the provisions of the Model and/or the principles entrenched in the Code of Conduct could expose the Company to the imposition of penalties (fines and disqualification/suspension);
- promoting a corporate culture based on respect for the laws, with the awareness of the Company’s express aversion to unlawful conduct, breaches of rules, internal regulations, and in particular, the provisions of the Model;
- implementing a balanced and efficient organisational structure, with specific reference to a clear delegation of powers and responsibilities, well-defined transparent decision-making processes based on specified facts and grounds, a system of controls both upstream and downstream of documents and activities, as well as accurate and truthful communications both within and outside the Company;
- enabling the Company to prevent and/or detect the commission of offences falling within the scope of the Decree, thanks to a system of controls, coupled with constant oversight of the proper implementation of the system, itself.

2.5. **Basic Elements of the Model**

The Model is made up of this General Part, detailing the Model’s functions and underlying principles, and identifying and regulating its basic components (system of preventive controls; disciplinary framework and penalties; features of the Oversight Board and updating over time), as well as the Special Parts specifying the risk exposure to the commission of underlying offences and related codes of conduct and monitoring designed to prevent the offensive behaviour. The main lines along which Fincantieri has designed its Model may be summarised as follows:

- mapping of so-called ‘sensitive’ activities, with examples of the possible ways in which offences could be committed and the work processes that, in theory, could give rise to conditions conducive to, or otherwise provide opportunity for the commission of offences targeted by the Decree;
2.6. MAPPING OF ACTIVITIES AT RISK TO THE COMMISSION OF OFFENCES TARGETED BY THE DECREE

Article 6, paragraph 2, subparagraph (a) of Legislative Decree 231/2001 specifically requires the Company’s Organisational, Management and Control Model to identify the business operations potentially at risk to the commission of offences targeted by the Decree. The Company accordingly conducted an in-depth analysis of its business operations, with the support of an outside consultant. The aforesaid analysis focused, first and foremost, on the Company’s organisational structure as per its organisational chart which identifies Business Units and corporate Functions and identifies related roles and lines of hierarchical answerability.

The Company subsequently analysed its business operations on the basis of information provided by function Directors and individuals in apical positions who, by virtue of their respective positions, are privy to the innermost workings of the operating processes falling under their responsibility. More specifically, activities at risk to the commission of targeted offences during the course of corporate processes were identified on the basis of a preliminary analysis of:

- the Company’s organisational chart highlighting functional and hierarchical lines of answerability;
- the resolutions and reports of the Company’s governing and supervisory boards;
- internal Company regulations (i.e., procedures, organisational provisions) and the control system, in general;
- the system of powers and delegated responsibilities;
- the recommendations set forth in Confindustria’s Guidelines updated in March 2014;
- the recommendations set forth in Borsa Italiana’s Corporate Governance Code updated in March 2015;
- the Company’s ‘history’, i.e., past prejudicial events.

The results and findings of the aforesaid preliminary analysis were presented in a descriptive chart (the “Chart of Activities at Risk to Offences”) that provides a breakdown of the risk of the commission of offences listed in Legislative Decree 231/2001 within the framework of Fincantieri S.p.A.’s business operations. The said Chart of Activities at Risk to Offences, on file with the Internal Auditing Department, is available for consultation by members of the Board of Directors, the Board of Statutory Auditors, the Oversight Board and any and all persons and parties authorised to access the same.

More specifically, the Chart of Activities at Risk to Offences specifies, for each category of underlying offence (structured by reference to the related Article of Legislative Decree 231/2001), the business areas (“sensitive activities”) potentially at risk to the commission of underlying offences, the manner through which and reasons for which such offences may be committed as well as the work processes that could, in theory, give rise to the conditions or means or otherwise afford an opportunity for the commission of one or more of the said offences (“instrumental processes”).
2.7. **The Internal Control System**

The Company’s internal control and risk management system (hereinafter referred to by its Italian acronym “SCIGR”) comprises a set of tools, organisational structures and operating procedures aimed at contributing towards ensuring that the Company continues to pursue the objectives set by the Board of Directors remaining a sound and healthy enterprise, through a process of identification, management and monitoring of the main risks to which it is exposed.

The Company’s SCIGR is built into the general organisational and management layout of the Company and takes full account of the models of reference, the recommendations set forth in the Corporate Governance Code and current Italian and international best practices. In such context, Fincantieri has adopted the “CoSO – Internal Control Integrated Framework” and “COBIT – Control Objectives for Information and related Technology” as its main tools for company-wide assessment of the Internal Control System.

The control system involves all sectors of the Company’s operations, distinguishing between operating and control processes with a view to minimising all possible conflicts of interest.

Fincantieri’s corporate control structure entails:

- first-level checks: operating functions are in charge of risk identification, assessment and management purposes;
- second-level checks: risk oversight functions define risk management methods and tools, whilst carrying out monitoring activities;
- third-level checks: the Internal Auditing function is tasked with conducting independent assessments of the System as a whole.

More specifically, Fincantieri’s internal control system is based on the rules of behaviour set forth in this Model as well as in:

- the Code of Conduct;
- the Company’s organisational chart;
- the system of delegated powers of attorney;
- the system of corporate procedures, established for each Group Company, inclusive of organisational provisions and operating instructions;
- the IT systems dedicated to maintaining the segregation of functions and ensuring data security, inclusive of management and accounting systems as well as systems used in the course of day-to-day business operations.

Fincantieri’s current internal control system, understood as the Company's process implemented to manage and monitor the main risks and promote a healthy and sound business environment, is designed to achieve the following objectives:

- “all operations, transactions and actions must be verifiable, documented, consistent and appropriate”: all transactions must be supported by adequate documentation on which the competent company Entities may proceed at any time to perform controls that attest to the characteristics and the justification of the transaction and identify who has authorised, undertaken, recorded and verified that transaction;
- “nobody may be independently in charge of an entire process”: the control system in place within the Company assures the application of the principle of the segregation of duties, according to which authorisation for the execution of a transaction must be under the responsibility of a person other than the person who actually executes, records or controls that transaction. In addition, under system: (i) no one is granted unlimited powers; (ii) powers of signature and delegated authorities are clearly defined and known within the organisation; (iii) powers of
signature and delegated authorities are consistent with the assigned organisational responsibilities;

- “documentation of controls”: the performance of controls, including management supervision, in accordance with the assigned responsibilities, must always be documented (possibly through the preparation of minutes).

In order to ensure the effectiveness of the Model in compliance with the “control principles” specified above, the Company has based its system of prior checks on a series of elements, as summarised below.

- **Code of Conduct and Model**
  
  Firm in its commitment to ensuring that all business operations are undertaken in compliance with the laws and regulations and in accordance with relevant ethical principles, the Company has adopted a Code of Conduct (hereinafter referred to as either the “Code” or the “Code of Conduct”) establishing a series of “corporate ethics” rules that the Company follows and requires all the members of its governing bodies, employees and third-party collaborators, to comply with. Any actions taken by employees in violation of the Code of Conduct do not bind the Company in any manner, and the Company may undertake all actions, from disciplinary actions to those of the competent authority, to protect and safeguard its interests. It must be borne in mind, however, that within the bounds of this General Part, Group companies remain free to update their internal rules and procedures (through specific addenda, for instance), so as to promote the values and principles expressly related to their respective spheres of operation.

  Whilst all the principles set forth in the Code of Conduct, without exception, are fully reflected in the Model, the latter is specifically aimed at meeting the requirements of the Decree, and is accordingly designed to prevent the commission of the offences listed in Legislative Decree 231/2001.

  Fincantieri’s Code of Conduct, in any event, entrenches principles that are also suited to preventing the offences targeted by Legislative Decree 231/2001, with the result that the said Code acquires relevance even for the purposes of the Model in respect of which it must be considered to play a complementary role.

  The Code of Conduct is published on the Company’s Intranet system, to which all employees have access, and on the Company’s website, where it is also available in English, so that it may be consulted, as appropriate, by third parties that engage in business with the Company.

- **Organisation for the assignment of responsibilities and bonus policies**
  
  The Company’s organisation is represented in the Organisational Manual prepared and updated by the Human Resources and Industrial Relations Department. The Organisational Manual, published on the company’s Intranet system to which all employees have access, consists of Service Orders, Guidelines, Directives, Rules and Procedures, Organisational Charts and Notices. The Organisational Charts reflect the assignment of responsibilities and hierarchical reporting lines announced through Service Orders issued by the Chief Executive Officer and, for the respective organisational structures, by the Heads of Business Units. The Guidelines, Directives, Rules and Procedures describe, within the scope of the respective processes and/or sub-processes, the duties of each company entity and specify its functional relationships with other entities. These relationships are always formalized and characterised by a segregation of functions and duties. The employee bonus system is consistent with the aim of guiding the activities of operating and managerial personnel towards the efficient achievement of company objectives. Objectives (performance targets) are pursued, shared and accepted at each level.
**Manual and IT control procedures (in particular with regard to the financial area)**

Company IT systems are based on the integrated SAP system. The control steps inherent in SAP govern the sequential performance of activities, ensuring the segregation of duties and functions of those who provide input to the system and guaranteeing the consistency of the data and information with the company organisational system. Management of the authorisation profiles for each SAP module are attributed to the supervisor of each functional area (SAP process key user), and responsibility for technical solutions is assigned to the individual IT Contact Personnel reporting to the Information Technology Department and, where necessary, to the System Administrators. The authorised access levels of each user is assigned in light of the latter’s organisational role and in compliance with the principle of the segregation of duties and functions, through a structured process involving the key user focal point, the role owner and the resource owner, strengthening the level of oversight and traceability. “Personal” passwords are changed on a quarterly basis (system block). Access authorisations are periodically monitored for red flags, such as inappropriate authorisations or access levels authorised at higher than the relevant need-to-know level, or for detecting new SoD risks.

All financial management operations (collections, payments, bank guarantees, loans, financial instruments, etc.) undertaken by the Finance function or the departments expressly authorised to perform these duties pass through bank current accounts registered in the name of the Company and are recorded in the SAP accounting module. Payment instructions must be undertaken with the combined signatures of representatives from different but related functions, according to the provisions of company directives governing powers of representation. In any event, the principles of transparency, verifiability and inherence to company activity must always be safeguarded.

All invoices received correspond to goods provided or services rendered supported according to company standards (bill of materials, work in progress statement, approval of requesting entity for services received), and are submitted for payment by Administrative Departments following a review of the associated orders/contracts issued by the responsible functions (Purchasing and other Departments authorised to perform this task). Any anomalies and exceptions are to be adequately justified and are governed by specific information/authorisation flows.

Accounting results are reconciled quarterly by departments external to the Finance function with respect to account statements from all banks. Control procedures of accounting situation are periodically conducted with reference to clients, suppliers, legal counsel, attorneys, agents, advisors and intermediaries. All of these entities may be inquired for additional information. Cash balances and movements are periodically checked in adherence to the principle of the segregation of duties and responsibilities. Expenses incurred with company credit cards and entertainment expenses must be authorised, documented and inherent to company activity.

**Powers of signature and delegated authorities system**

The Company engages in any dealings with external entities of any type (public or private, Italian or foreign), solely through employees expressly authorised to do so. Power of signature and delegated authorities system is consistent with the defined organisational and managerial responsibilities and must be expressly indicated in powers of attorney and brought to the attention of the third party. Precise responsibilities, limits and conditions of approval are identified for the various types of expenses related to company activity.

Public Administration’s employees are engaged, where necessary, in accordance with applicable legislation, and dealings with representatives of Public Administrations are
oriented towards the utmost collaboration and fairness, as well as are characterised by high standards of authorisation, traceability and monitoring.

- **Existing management control systems and risk management**

The Company has a structured control system in support of Planning and Control Activities, developed in accordance with the Group’s strategic objectives and organisational structure. The Company’s management control system consists of three elements: a series of processes aimed at planning and monitoring company performance, a set of technical and accounting tools, created to analyse information for decision-making processes, and a reporting system intended to share the information collected.

Processes and tools are organised on the basis of an integrated IT platform created primarily through the use of SAP modules, where data input are made by the three organisational Company’s levels: Shipyards, Business Units and Corporate. Data aggregation is bottom-up and pertains to: the individual project / cost centre (greatest detail), Business Units (aggregation of projects belonging to the same business unit), the Group’s Business Units (include Corporate and the Subsidiaries) and the Group (consolidated view of the entire Group). The company function responsible for the management control of the Company — in accordance with the strategic guidelines laid down by the Board of Directors:

- assures operational planning through the integration of individual plan hypotheses formulated by Business Units into a single, balanced and appropriate plan, with the support of specialised departments as regards the review of feasibility and economic viability;
- collects from the relevant company Entities elements of assessment and feasibility of alternative plans in terms of costs, revenues and financial commitments; to that end, it maintains the necessary contacts with the Business Units and other Departments responsible for the commercial, technical, operational and financial aspects;
- promotes the development of effective management control systems and ensures their use and dissemination throughout the Company, so that such systems may provide all management levels with the analyses and operational economic details required for management decisions. also provides Top Management with reports illustrating actual situations compared to expectations in which significant deviations are indicated and commented upon.

Consequently, the above-mentioned Function studies and prepares assessment schemes and economic indicators related to company operating trends, so that advance, current and subsequent analysis of such events is accurate, timely and permits decision-making alternatives to be identified. In addition, the reporting system identifies critical factors of success and prepares for each of these a set of performance indicators necessary to guiding and monitoring operating decisions.

Management control is also exercised through systematic analysis and the related risk management within each company functions. The Company has prepared specific instruments / procedures for risk management associated with the typical activity of Fincantieri, with special regard to project risk management.

### 2.8. Adoption of the Model by Group Companies

As the operating Parent Company of the Fincantieri Group, the Company promotes an evaluation process by all of its Subsidiaries with a permanent establishment in Italy to assess whether or not to opt for the adoption of an Organisational, Management and Control Model within the meaning of Legislative Decree 231/2001.
Italian Subsidiaries are accordingly free to draw up and adopt, pursuant to a resolution passed by their respective Boards of Directors, and under their own responsibility, their own Organisational, Management and Control Models, and to implement the same, appointing their own Oversight Boards, and mapping their respective activities at risk to the commission of offences targeted by the Decree, on the basis of their nature, core business, size and organisational structure.

The appointed Oversight Board of each Subsidiary adopting such a Model shall forward the latter, as well as any and all subsequent significant amendments to the Model, to the Oversight Board of Fincantieri S.p.A., for information purposes.
SECTION 3 - OVERSIGHT BOARD

In order for exemption from administrative corporate liability to apply, Article 6, paragraph 1, of Legislative Decree 231/2001 requires the task of monitoring compliance with and the functioning of the Model, as well as the task of ensuring the updating of the Model to be entrusted to an Oversight Board set up within the entity and duly vested with autonomous powers of initiative and control so as to be in a position to discharge its assigned duties on an ongoing basis. The Oversight Board accordingly carries out its functions outside the sphere of the Company’s work processes, reporting periodically to the Board of Directors, albeit free from subordination to the Board itself or to any of the individual heads of the Business Units.

In compliance with the requirements of Legislative Decree 231/2001, Fincantieri’s Board of Directors has set up an Oversight Board, structured as three-member panel that, in functional terms, falls under the aegis of the Board, itself.

More specifically, the Oversight Board is structured to ensure full satisfaction of the following requirements:

- **Autonomy and independence**: this requirement is met by the insertion of the Oversight Board within the Company’s organisational structure as a staff unit placed at the highest possible level, and that is to say, reporting only to topmost echelons of business management, i.e., the Board of Directors as a whole.

- **Professionalism**: this requirement is met through the technical and practical know-how and professional experience of the members of the Oversight Board. In particular, the composition of the Oversight Board is designed to ensure expertise in the relevant fields of law, monitoring and supervisory techniques, as well as corporate organisation and the Company’s core business processes.

- **Continuous action**: with regard to this requirement, the Oversight Board is duty-bound to exercise its investigative powers to constantly monitor and supervise compliance with the Model on the part of all Recipients, as well as to ensure that the Model is properly implemented and duly updated, so as to become a constant and reliable reference tool for all Fincantieri staff. More specifically, the requirement in question is met by reserving at least one seat on the Oversight Board for a Company employee.

3.1. TERM, DISQUALIFICATION AND DISMISSAL

The members of the Oversight Board remain in office for a term of three years — considering one year to coincide with the company’s financial year — and are in any case eligible for reappointment. Oversight Board members are required to present an ethical and professional profile of the highest standards and may not be family members, by blood or marriage, of any Company Director.

Oversight Board members need not necessarily be Company employees. Outside professionals appointed to the Oversight Board must be free of ties to Company that could be construed as giving rise to a conflict of interest.

The remuneration of Oversight Board members, whether Company employees or otherwise, may in no event be construed as giving rise to a conflict of interest.

Persons labouring under any of the circumstances specified below, are to be deemed disqualified from appointment to or ongoing membership of the Oversight Board:

- marriage, parentage, or affinity within the 4th degree of kinship, or non-marital cohabitation, or personal relationship with: (a) members of the Board of Directors, (b) individuals who are representatives, directors or managers of the company or of one of its organisational units that has financial and functional independence, or, (c) individuals who are responsible for managing or controlling the company, statutory and external auditors of the Company, as well as any other parties according to law;
• conflicts of interest — even potential ones — with the Company or with subsidiaries, compromising the independence thereof;

• direct or indirect shareholdings allowing the exercise of a significant influence on the Company or on its subsidiaries;

• the office of executive director in companies subject to bankruptcy, forced liquidation or similar procedures held during the three business years before appointment as member of the Oversight Board;

• public official in central or local government during the three years before appointment as member of the Oversight Board;

• judgment, even not become final, or application of the sanction on request (so-called “plea bargaining”), in Italy or abroad, for the violations relevant to administrative liability of legal entities, pursuant to Legislative Decree 231/2001;

• judgment, even not become final, or “plea bargaining” for a sentence implying legal persons’ and undertakings’ disqualification, even temporary, from holding public offices, or temporary disqualification from holding management offices.

Should one of the above-mentioned reasons for replacement or addition or non eligibility and/or removal be applicable to one member, he/she shall immediately inform the other members of the Oversight Board, and automatically be removed from his/her office. The Oversight Board shall inform the Chairman and the Chief Executive Officer about this, for the submittal of the replacement proposal to the Board of Directors pursuant to this paragraph.

Company employees appointed to the Oversight Board shall be deemed automatically barred from continuing to serve as Oversight Board members in the event of the termination of their employment with the Company for any reason or cause whatsoever.

The Board of Directors may, at any time, by specific resolution passed after hearing the opinion of the Board of Statutory Auditors, for cause and good reason duly set forth in a statement of grounds, dismiss any member of the Oversight Board or otherwise suspend the Oversight Board from discharging its functions, revoke its powers and replace it with an interim body.

Cause and good reason for the dismissal of Oversight Board members includes:

• a finding by the Oversight Board that the member in question stood in serious dereliction of duty;

• failure, on the part of the member in question, to notify the Board of Directors of a conflict of interest, whether actual or potential, entailing disqualification from Oversight Board membership;

• final judgement against the Company, by the court of last resort, or otherwise pursuant to plea bargaining, based on a finding of a lack of due supervision by the Oversight Board;

• breach of the confidentiality obligations in respect of data or information acquired during the discharge of tasks assigned to the Oversight Board;

• judgment, even not final, or application of the sanction on request (so-called “plea bargaining”), in Italy or abroad, for the violations relevant to administrative liability of legal entities, pursuant to Legislative Decree 231/2001;

• judgment, even not final, or “plea bargaining” for a sentence implying legal persons’ and undertakings’ disqualification, even temporary, from holding public offices, or temporary disqualification from holding management offices.

• in the case of the Company employee serving on the Oversight Board, the commencement of disciplinary proceedings arising from circumstances and/or conduct that could justify termination of employment.

In the event of dismissal without cause or good reason, the dismissed Oversight Board member shall be entitled to seek immediate reinstatement. Oversight Board members are free to withdraw from
office at any time, by giving the Board of Directors at least 30 days’ advance notice thereof by registered letter with acknowledgement of receipt. The Board of Directors shall appoint a replacement for the outgoing Oversight Board member, at the first meeting of the Board of Directors and in any event within 60 days following the withdrawal by the Oversight Board member in question.

Should one or more seats on the Oversight Board fall vacant as a result of dismissal or withdrawal, the Board of Directors shall assess whether or not to appoint a new Oversight Board, or otherwise allow the remaining Oversight Board members to remain in office.

The Oversight Board has independently drawn up its own procedural rules, set forth in the “Rules of the Oversight Board”, regulating, in particular, the operating procedures to be followed in the discharge of its assigned tasks and duties. The aforesaid Rules have been forwarded to the Board of Directors for acknowledgement.

### 3.2. POWERS AND FUNCTIONS OF THE OVERSIGHT BOARD

The Oversight Board is entrusted with the following tasks:

- monitoring the level of awareness and understanding of and compliance with the Model within the Company;
- monitoring the validity and appropriateness of the Model, i.e., its concrete effectiveness in preventing the conduct targeted by the Decree;
- monitoring the implementation of the Model in course of work processes potentially at risk to the commission of offences;
- reporting to the Company’s Board of Directors, the need to update the Model to ensure that the same duly reflects changes in corporate organisation and/or the regulatory framework.

In discharging the aforesaid tasks, the Oversight Board shall:

- coordinate activities and collaborate with the various corporate departments (including through specific meetings) so as to better monitor and supervise the work processes identified in the Model as exposed to risks of the commission of offences;
- verify the setting up and functioning of specific “dedicated” information channels (such as e-mail addresses) for reporting and referring matters to the Oversight Board;
- spot checks of specific transactions, work processes or deeds, effected in the course of business operations found to be potentially at risk to the commission of offences;
- check and monitor the proper and effective archiving of records pertaining to the work processes/business operations identified in the Model, in exercise of its unfettered authority to access any and all information and documents it deems fit in the discharge of its oversight functions;
- check the implementation of staff awareness, outreach and training initiatives launched by the Company in respect of the Model;
- avail of input and support from Company employees, with specific reference to the Group’s Internal Auditing function with regard to monitoring activities, the Employer and the operating structure coordinated by the latter to take charge of occupational health and workplace safety issues, as well as any and all outside consultants appointed to provide advice on particularly complex issues or matters requiring specialist expertise (in the field of environmental protection, for instance);
- undertake or order checks to determine whether or not reports or complaints received are truthful and well-grounded, and report the related findings and recommended disciplinary action as per Section 4, where necessary, to the Human Resources and Industrial Relations Department, in charge of the imposition of disciplinary measures on Company employees;
- immediately inform the Board of Directors of any and all breaches of the Model by Company Directors and/or individuals in apical positions.

- immediately inform the Board of Statutory Auditors of any and all confirmed findings of breaches of Model by the Board of Directors as a whole, or by one or more Board members.

In order to properly discharge the tasks listed above, the Oversight Board is vested with express authority to:

- independently organise and regulate its activities and proceedings, drawing up and updating the data reporting requirements binding on Company Functions;

- access, without prior notice or authorisation, any and all corporate documents it may deem fit in the discharge of its assigned functions under Legislative Decree 231/2001;

- order the heads of Company Departments, and, in general, any and all Recipients, to make full and timely disclosure of any and all data and information that the Oversight Board may request to assess aspects of company activities that are relevant pursuant to the Model and monitor the Company’s actual implementation of the Model;

- undertake investigations into whistleblower reports received to determine the truthfulness of the same and whether or not the related facts involve breaches of the Code of Conduct and/or the Model, submitting any and all related findings together with recommendations regarding disciplinary action, to the relevant Company Department or to the Board of Directors, depending on the perpetrator’s position within the Company;

- obtain full information on the outcome of disciplinary proceedings and on the penalties imposed by the Company for established breaches of the Code of Conduct and/or the Model, as well as the reasons and grounds for any dismissal;

- retain the services of outside experts, where necessary, to ensure the full and proper discharge of its assigned tasks and functions, especially the updating of the Model.

To maximise operational efficiency, the Oversight Board may delegate one or more specific tasks to one or more of its members who in discharging the same, shall be deemed to act in the name and on behalf of the Oversight Board, as a whole, which shall accordingly accept full responsibility in such regard.

The Company’s Board of Directors shall assign the Oversight Board an annual expense budget as proposed by the Oversight Board, and in any event, commensurate with the latter’s functions. The Oversight Board is endowed with financial independence in terms of expenditure, within the framework of the Company’s structure of authorised signatories, it being understood that any and all expenses in excess of the assigned budget must be authorised by the Chief Executive Officer and notified to the Control and Risk Committee.

### 3.3. INFORMATION FLOWS PERTAINING TO THE OVERSIGHT BOARD

As outlined above, pursuant to the principle of full independence and autonomy of action in the discharge of official functions, the Oversight Board shall report directly to the Company’s Board of Directors.

More specifically, the Oversight Board shall keep Company’s governing and supervisory bodies informed about the concrete implementation of the Model as well as the outcome of oversight activities, through formal reports and at meetings (including by videoconferencing), subject to the following minimum reporting requirements:

- annual written report to the Board of Directors and the Board of Statutory Auditors, illustrating the monitoring activities undertaken during the year, the weaknesses uncovered and remedial or ameliorative action, if any, implemented to ensure operating compliance with the Model;
3.4. INFORMATION FLOWS TOWARDS THE OVERSIGHT BOARD

To comply with the provisions of Legislative Decree 231/2001, the Model must, inter alia, require Company Functions to provide the Oversight Board with the input required for the proper discharge of its monitoring and supervisory tasks.

In such regard, the following information must be reported to the Oversight Board:

- on a periodic basis, any and all information, data and/or documents identified by the Oversight Board as in departure from internal procedures, formally requested from specific corporate Departments/Functions by the Oversight Board so-called “information flows”), in compliance with the procedures and deadlines established by the Oversight Board itself;

- as part of the Oversight Board’s monitoring activities, any and all information, data and/or documents deemed useful and/or necessary in order to carry out such monitoring activities, priorly identified by the Oversight Board and formally requested to the individual Departments/Functions;

- on an occasional basis, any and all other information, of any nature of kind whatsoever, pertaining not only to the implementation of the Model and/or the Code of Conduct, in respect of business operations found to be at risk to the commission of offences, but also to compliance with the provisions of the Decree, that could prove useful to the Oversight Board in the discharge of its tasks (so-called “whistleblower reports”), as detailed in the Whistleblowing section of the Company’s website.

With regard to Whistleblowing, it must be pointed out that all Recipients are duty-bound to report to the Oversight Board, any and all information that may fall into their possession with regard to behaviour that could constitute or otherwise give rise to specific offences and/or breaches of the Decree and/or the Model and/or the Code of Conduct.

To facilitate such reporting, specific communications channels have been set up, specifically a postal address (Fincantieri S.p.A., c/o CO-AUD, Via Genova, 1, 34121, Trieste – Riservato OdV [Confidential and Reserved for the Oversight Board] and a whistleblowing online platform accessible via the company intranet and website.

Both the communication channels, of which all Recipients of the Model have been informed, may be used to report matters to the Oversight Board. The Oversight Board may use internal or external resources in order to verify the alleged facts. The contents of all such reports will remain accessible solely to Oversight Board members. The aforesaid communications channels are designed to ensure that utmost confidentiality of whistleblowers, especially so as to protect them against retaliatory behaviour or discriminatory or punitive treatment.
The confidentiality of the sources and the information that may come into possession of the Oversight Board shall be guaranteed, without prejudice to the obligations according to law. The Company shall, moreover, refrain from engaging in retaliatory behaviour (through the imposition of penalties, downgrading, suspension, dismissal) or any forms of workplace discrimination whatsoever against staff members who engaged in conduct aimed at reporting events or situations regarding compliance with the Code of Conduct, the Model, internal rules and procedures, or regulatory and statutory provisions.

The Oversight Board shall assess the whistleblower reports it receives and may, if it deems fit, interview not only the person marking the report with a view to acquiring deeper insight into the matters reported, but also the person or persons identified as the perpetrators of alleged violations, and conduct any and all further investigations as may be necessary or useful for determining whether or not the report is well-founded.

No account whatsoever shall be taken of any whistleblower reports that are unsupported by factual elements, excessively vague, unincriminated, or otherwise, clearly defamatory or libellous in nature. Upon establishing that the report is well-founded, the Oversight Board shall:

- in the event of breaches committed by employees, immediately notify its findings, in writing, to the Human Resources and Industrial Relations Department for the commencement of disciplinary proceedings;
- in the event of established breaches of the Model and/or the Code of Conduct on the part of Company Directors, immediately notify its findings to the Board of Directors and the Board of Statutory Auditors;
- in the event of established breaches of the Model and/or the Code of Conduct on the part of individuals in apical positions, immediately notify its findings to the Board of Directors.

In addition to the above, the Oversight Board must necessarily be duly informed:

by the Legal Affairs Department of:

- the existence of legal measures and/or all notices originating by law enforcement bodies, or any other authority, both judicial or administrative that involve the Company or its individuals in apical positions and from which may result that investigations are being conducted, even towards unknown persons, for the offences disclosed by Legislative Decree No. 231/2001, without prejudice to the confidentiality and secrecy obligations imposed by law;
- any and all changes in the system of delegated powers and responsibilities, as well as in the Company’s By-laws or organisational layout;
- the outcome of any and all measures launched pursuant to the Oversight Board’s written finding of a breach of the Model, as well as the imposition of any and all penalties in such regard or otherwise, the grounds for the decision to refrain from launching disciplinary proceedings;

by the Human Resources and Industrial Relations Department of:

- any and all serious accidents (including cases of manslaughter, life-threatening or serious bodily harm, or personal injury requiring a convalescence period of more than 30 days) sustained by employees, outside collaborators of the Company, and more in general, any and all persons with access to the Company’s premises;
- changes in roles and responsibilities in respect of workplace safety management (including the appointment of the Employer, any delegation of responsibility within the meaning of Article 16 of Legislative Decree 81/2008, the appointment of the H&S Manager (in Italian RSPP) as well as environmental protection (including any delegation of related powers and responsibilities).
The Special Sections specify the further information to be periodically reported to the Oversight Board.

Any and all information and documents collected or received by the Oversight Board in the discharge of its official functions, including any and all whistleblower reports submitted pursuant to the Model, must be duly archived by the Oversight Board in specific files maintained at the Company’s registered office, in compliance with applicable regulatory provisions governing the processing of personal data.
SECTION 4 – DISCIPLINARY SYSTEM

The adoption of a disciplinary system entailing the imposition of penalties for breaches of the provisions of this Model is crucial to ensuring the effective implementation of the Model itself, and constitutes an imperative statutory requirement that must be met if the Company to qualify for exemption from administrative corporate liability.

Penalties for breaches of the Model may be imposed regardless of whether or not the employee, manager or individual in apical position is charged, tried or convicted of any criminal offence and even if no offence targeted by Legislative Decree 231/2001 has been committed.

Disciplinary proceedings may be launched in respect of any conduct whatsoever, whether entailing the commission or behaviour, even an omission, in breach of the rules set forth in this Organisational, Management and Control Model.

In accordance with the provisions of Chapter 5 of the Company’s Disciplinary Code, penalties must be compliant with the principles of proportionality and progressive seriousness, and determined in light of the objective and subjective aspects of the conduct in question.

More specifically, from an objective standpoint and with regard to progressive seriousness, breaches of the Model must be distinguished on the basis of whether they entail:

- no or only a very low level of risk exposure;
- a moderate or significant level of risk exposure;
- conduct that could give rise to criminal proceedings.

The conduct in question must also be assessed as more or less serious in light of the circumstance in which it was engaged in, as well as the following subjective considerations:

- commission of several breaches through the same conduct;
- the conduct in question is recidivous in nature;
- the perpetrator’s level of hierarchical and/or technical seniority;
- responsibility for the conduct is to be shared with others who failed to comply with applicable procedures.

In all cases, disciplinary proceedings and related decisions fall within the remit of the relevant corporate boards and/or functions.

4.1. PENALTIES APPLICABLE TO EMPLOYEES

With regard to employees, the Company must comply with the limits imposed under Article 7 of Law No. 300/1970 (the Workers’ Charter) as well as the provisions of the National Collective Bargaining Labour Agreement for the Metalworking and Plant Installation sectors, in respect of both, the penalties imposable and the procedures through which disciplinary powers are exercised.

Any and all breaches of the rules of conduct and procedures imposed under the Model shall be deemed to constitute conduct subject to disciplinary action within the meaning of Article 2104, paragraph 2 of the Italian Civil Code. By way of mere example, without any limitation whatsoever, and without prejudice to the provisions of the aforesaid National Collective Bargaining Labour Agreement, behaviour warranting the imposition of penalties, includes:

- any violation of internal procedures or conduct in breach of the Model during the course of business operations at risk to the commission of offences, entailing failure to follow written or oral orders imparted by the Company (as in the case of non-compliance with applicable procedures and/or reporting obligations towards the Oversight Board as well as failure to conduct checks, and the like);
• conduct in breach of the Model or any of its underlying principles, during the course of business operations at risk to the commission of offences, entailing failure to follow with orders imparted by the Company (as in the case of refusal to undergo the health checks and testing contemplated in Article 5 of Law No. 300 dated 20 May 1970, falsification and/or alteration of internal or external documents; refusal to comply with instructions issued by the Company with a view to secure gain for the employee himself or for the Company; repeated instances of breaches for which disciplinary penalties falling short of dismissal, were previously imposed).

Disciplinary proceedings against non-executive employees must comply with the provisions of Articles 7 of Law No. 300 dated 20 May 1970 and Article 8 of Section IV, Title VII of the current National Collective Bargaining Labour Agreement for the Metalworking and Plant Installation sectors.

The Oversight Board shall submit to the head of the Human Resources and Industrial Relations Department, a report containing:

• the identification details of the person found to have committed the breach;
• a description of the facts and offensive conduct;
• an indication of the provision or provisions of the Model found to have been breached;
• any and all other pertinent information, together with any and all relevant documentary evidence.

Upon receipt of the said report, the head or other duly delegated officer of the Human Resources and Industrial Relations Department shall promptly serve on the Employee concerned, a written notice detailing:

• the precise conduct warranting disciplinary action;
• the provisions of the Model found to have been breached;
• the Employee’s right to provide, in writing, justification for his actions and/or raise counter-arguments within five days following receipt of the aforesaid notice, as well as his right to seek, within the established five-day period, the intervention of a representative of the trade union which he or she is a member of or has appointed to assume his defence.

The Head or other duly delegated of the Human Resources and Industrial Relations Dept. shall then decide the matter and impose the penalty. Penalties must be imposed within six days following the submission of the Employee’s defensive arguments. A copy of the document imposing the penalty must be forwarded to the Oversight Board.

Without prejudice to any of his or her rights, remedies and causes of action under law, the Employee may, within twenty days following service of notification of the penalty, submit a request to refer the matter to a specifically instituted conciliation and arbitration panel, in which case, the penalty shall be suspended through to the conclusion of the related arbitration proceedings.

The Board of Directors must be informed of the outcome of the arbitration proceedings.

4.2. PENALTIES APPLICABLE TO MANAGERS

Breaches of the internal procedures or other provisions set forth in this Model on the part of Company executives, are described below and include, without limitation, the following conduct:

• non-compliance with the principles and procedures set forth in the Model;
• failure to provide a full and truthful account of the record-keeping, storage and monitoring procedures followed in respect of documents pertaining to corporate procedures, with a view to obstruct transparency and prevent the verification of such procedures;
• breach and/or circumvention of the control system through the removal, destruction or alteration of documents required by corporate procedures or, otherwise, by obstructing checks and controls or hindering access to information and requested documents by the relevant personnel and bodies, as well as the Oversight Board;

• breach of the provisions pertaining to signature powers and the system of delegated powers and responsibilities, save in cases of dire emergency that must be reported without delay to the executive’s hierarchical superior;

• failure to supervise, check and monitor proper and effective compliance with the Model’s underlying principles by subordinates;

• breach of reporting obligations towards the Oversight Board and/or the executive’s immediate hierarchical superior in respect of any breaches of the Model by other Recipients falling under this Disciplinary System, or other clearly and directly established violations;

• failure by the executive to discharge the staff training, outreach and updating responsibilities falling within his remit in respect of employees involved in business operations regulated pursuant to corporate procedures applicable to sensitive processes.

Breaches of the procedures imposed under the Organisational, Management and Control Model shall entail the imposition of the penalties contemplated under the prevailing National Collective Bargaining Labour Agreement for the Metalworking and Plant Installation sectors, taking due account of the seriousness of the breach in question and the appropriateness of the penalty. More specifically:

• in the event of a non-serious breach of one or more procedures or rules of conduct imposed under the Model entailing no or only a very low level of risk exposure, the executive shall incur a written reprimand or a fine ranging in amount between 0.5 and three times his monthly salary;

• in the event of a serious breach of one or more provisions of the Model, amounting to serious non-compliance and entailing a modest or significant level of risk exposure, the executive shall incur the revocation of some or all of his delegated powers or powers of attorney, or otherwise dismissal with notice;

• in the event of breaches of the Model that could result in criminal proceedings or that entail breaches so serious as to cause the irremediable breakdown of the relationship of trust, rendering ongoing ties unfeasible even on a provisional basis, or that result in the imposition of the measures contemplated in the Decree against the Company and/or the commission of one or more the underlying offences, the executive shall be subject to termination of employment with immediate effect.

Disciplinary proceedings against Executives are regulated pursuant to applicable regulations and the provisions of the relevant collective bargaining labour agreements. More specifically, the Oversight Board shall submit to the Chairman of the Board of Statutory Auditors, the Chief Executive Officer and the Head of the Human Resources and Industrial Relations Department a report containing:

• a description of the offensive conduct;

• an indication of the provisions of the Model found to have been breached;

• the identification details of the person found to be responsible for the breach;

• any and all supporting evidentiary documents and other pertinent elements.

Upon receipt of the said report, the Chief Executive Officer and/or the Head of the Human Resources and Industrial Relations Dept. shall, without undue delay, formally summon the Executive concerned, pursuant to service of a written notice specifying:

• the conduct warranting disciplinary action and the provisions of the Model found to have been breached;
• the date on which the Executive is to be heard, together with a reminder of his right to justify his behaviour and rebut the factual allegations, in written and oral submissions, at the said hearing.

Should, after hearing the Executive in question, the Company remain convinced that penalties are warranted, the same may be imposed, it being understood that in all such cases, any and all authority and responsibility delegated to the Executive in question by the Board of Directors may be revoked at the latter’s discretion, especially if the same was instrumental in enabling the offensive conduct.

The official document imposing the penalty must be served on the Executive concerned in writing within six days following the date on which he was heard.

The Company’s Board of Directors and Oversight Board must be informed of the outcome of any and all internal checks and related decisions.

Without prejudice to any of his or her rights, remedies and causes of action under law, the Employee may, within twenty days following service of notification of the penalty, challenge the imposition thereof in arbitration proceedings before a conciliation and arbitration panel pursuant to applicable statutory and contractual provisions (Article 7 of Law No. 300/1970 and Article 27 of the National Collective Bargaining Labour Agreement for the Metalworking and Plant Installation sectors). In the event the matter is referred to arbitration, the penalties imposed shall be suspended through to the conclusion of the related proceedings.

4.3. Penalties for Outside Collaborators Subject to Direction or Oversight

Breaches of the provisions of the Model, including non-compliance with reporting obligations towards the Oversight Board, on the part of outside collaborators subject to direction or oversight by persons in apical positions, shall entail, in accordance with applicable contractual provisions, the termination of the related contractual relationship, without prejudice to the Company’s right to seek damages for any and all losses and harm sustained as a result of the breaches in question, including harm resulting from the imposition of the penalties contemplated in Legislative Decree 231/2001.

4.4. Measures Against Company Directors

The Oversight Board shall promptly report to the Board of Directors and the Board of Statutory Auditors any and all findings of breaches of the provisions of the Model and/or any of its component documents by one or more Company Directors, so that the said governing and supervisory bodies may implement the measures deemed most appropriate in light of the seriousness of the breaches in question and in exercise of their powers under applicable regulations and the Company’s By-laws.

Any finding by the Oversight Board of one or more breaches of the provisions of this Model and/or any of its component documents, by the Board of Directors as a whole, must be immediately reported to the Board of Statutory Auditors which shall then determine the action to be taken in such regard.

More specifically, in the event of a breach of the provisions of the Model and/or any of its component documents by one or more of its members, the Board of Directors may, taking due account of the seriousness and extent of the breach in question, directly impose the penalty of a written reprimand or, in the event of misconduct or negligence so serious as to compromise the Company’s trust in the said Company Directors, proceed to revoke some or all of the powers and responsibilities vested in and delegated to the same.

The penalties (such as, for instance, temporary suspension from office, or dismissal from office, in more serious cases) to be imposed on one or more Company Directors found to have breached the provisions of the Model and/or any of its component documents for the clear purpose of facilitating or encouraging the commission of an offence targeted by Legislative Decree 231/2001 or of committing such an offence themselves, must be determined by the Shareholders’ Meeting at the motion of the Board of Directors or the Board of Statutory Auditors.
4.5. **MEASURES AGAINST INDIVIDUALS IN APICAL POSITIONS**

Individuals in apical positions who fail to adequately comply with their specific oversight obligations in respect of their subordinates, shall also be liable to incur penalties as determined by the Company taking due account of the nature and seriousness of the non-compliance in question, as well as position of the executive in question within the Company’s organisational layout.

By way of mere example and without limitation, penalties may be incurred in the event of:

- non-compliance with the principles and procedures set forth in the Model;
- breach and/or circumvention of the control system through the removal, destruction or alteration of documents required by corporate procedures or, otherwise, by obstructing checks and controls or hindering access to information and requested documents by the relevant personnel and bodies, as well as the Oversight Board;
- breach of the provisions pertaining to powers of corporate signature and, in general, the system of delegated powers, save in cases of dire emergency that must be reported to the Board of Directors without delay;
- Non-compliance with reporting obligations towards the Oversight Board and/or the Company Officer entrusted with the prevention of behaviour conducive to the commission of one or more of the criminal or administrative offences targeted by the Decree.

The penalties imposable on individuals in apical positions include:

- formal written reprimand;
- fine and/or revocation of some or all delegated authority and responsibilities;
- dismissal.

Breaches of the Model entailing no or only a very low level of risk exposure shall justify a formal written reprimand; violations of the Model entailing a modest or significant level of risk exposure would warrant a fine and/or the revocation of some or all of his or her delegated powers and responsibilities; non-compliance with the Model that could result in criminal proceedings, would lead to dismissal.

Any finding by the Oversight Board of one or more breaches of the Model by an individual in apical position, must be notified to the Board of Directors and the Board of Statutory Auditors in a report containing:

- a description of the offensive conduct;
- an indication of the provisions of the Model found to have been breached;
- the identification data of the perpetrator;
- any and all supporting evidentiary documents and/or other pertinent elements;
- a recommendation regarding appropriate disciplinary action in the specific case.

Upon receipt of the said report, the Board of Directors shall promptly serve the person concerned a written notice summoning the latter to attend a Board meeting to be held in compliance with the procedures and deadlines specified in the Company’s By-laws.

The aforesaid notice must:

- be evidenced in writing;
- specify the offensive conduct and the provisions of the Model found to have been breached;
- inform the individual concerned of the date of the Board meeting in question, as well as of his or her right to submit Justifications for his behaviour and rebut allegations, both in writing
and orally. The notice must be signed by the Chairman of the Board of Directors or no less than two Directors.

The individual concerned shall be afforded the opportunity to be heard and to submit written arguments at the said Board meeting which must also be attended by the members of the Oversight Board, and at which further investigations may be carried out or ordered.

After having examined all relevant issues and evidence, the Board of Directors shall determine the penalty to be imposed and provide grounds for any departures from the Oversight Board’s recommendations in such regard.

In the case of breaches so serious as to compromise the Company’s trust in the Director or Statutory Auditor (Article 2392 of the Italian Civil Code), a General Meeting of Shareholders must be convened to pass resolutions on the most appropriate course of action to be taken pursuant to Article 2383, paragraph 3, of the Italian Civil Code.

The related Board and/or Shareholders’ resolution must be notified to the Oversight Board and person concerned, in writing.

4.6. MEASURES AGAINST MEMBERS OF THE BOARD OF STATUTORY AUDITORS

Any finding by the Oversight Board of a breach of the Model by one or more members of the Board of Statutory Auditors must reported without delay to the Chairman of the said Board of Statutory Auditors and the Chairman of the Board of Directors.

Upon conducting all appropriate investigations and hearing the alleged perpetrator, the Board of Statutory Auditors shall, taking due account of the opinion of the Board of Directors in such regard, implement appropriate measures pursuant to Article 2407 of the Italian Civil Code.

4.7. MEASURES AGAINST OUTSIDE CONSULTANTS AND PARTNERS

All external consultants, collaborators and business partners are expressly contractually bound, under penalty of termination of all relationships with the Company, to comply with the principles set forth in the Code of Conduct, as well as, where possible, with specific procedures governing activities they undertake in favour of the Company.

Without prejudice to any and all applicable statutory and contractual provisions, Fincantieri reserves the right to terminate any ongoing relationships with external consultants, suppliers or other contractual counterparties that commit procedural and/or material violations of the Model or otherwise expose the Company to administrative liability pursuant to Legislative Decree No. 231/2001, and where appropriate, to report the related wrongdoing to the relevant authorities.
SECTION 5 - CIRCULATION OF THE MODEL

The Company, attentive to fact that staff training and outreach are key to prevention, shall draw up a staff information and training programme aimed at boosting circulation of the most salient features of the Decree and related obligations, as well as the requirements imposed under the Model.

Training and communication are key tools to spread the knowledge of the Model and of the Code of Conduct adopted by the Company, both constituting essential elements of the regulatory framework that all employees are required to know, observe and implement during their activities.

Towards such end, staff training and information initiatives must be designed to feature various levels of depth and detail to match the differing degrees of involvement of personnel in activities found to be at risk of the commission of offences. In any event, training initiatives aimed at fostering awareness of Legislative Decree 231/2001 and the Model, must be differentiated in terms of content and instruction circulation methods, taking due account of the targeted Recipients’ positions within the Company’s organisational structure, the risk level involved in their assigned work processes, and the extent to which they are vested with powers of corporate representation and business management.

Staff training initiatives must involve the Company’s entire workforce, inclusive of persons who are not yet employed by the Company but who could be recruited in the foreseeable future. In such regard, it is worth bearing in mind that staff training must be planned and concretely implemented not only at the time of recruitment, but also in the event of changes in job description and whenever the Model is updated or amended.

With a view to promoting staff awareness of the Model throughout the Company, the latter shall be bound to ensure that:

- during the recruitment procedures, the Human Resources and Industrial Relations Department provides information to the new employees about the Organisational, Management and Control Model pursuant to Legislative Decree No. 231/2001 and the Code of Conduct; a copy of both documents are delivered the first day of employment;
- a specific area in the company’s Intranet site, dedicated to Legislative Decree No. 231/2001 and the Code of Conduct of Fincantieri, is available and updated on an ongoing basis, including the related news and a presentation about the administrative liability for legal entities pursuant to Legislative Decree No. 231/2001;
- a copy of both the Organisational, Management and Control Model pursuant to Legislative Decree No. 231/2001 and the Code of Conduct are posted on all the corporate bulletin boards, to widen the knowledge to all personnel.

Communication is implemented through the organisational instruments consisting of the company’s Intranet and the Internet website, Service Orders, Procedures, and Internal Notices and other tools such as authorisation powers, hierarchical reporting lines, procedures, information flows and all other aspects that contribute to granting transparency to daily operations. Such instruments ensure an effective, authoritative (i.e., issued at an adequate level), clear and detailed communication subject to periodic updates and reiterations.

The Company shall, moreover, launch a training programme structured as follows:

- education and updating courses related to Legislative Decree No. 231/2001 for all personnel, (e-learning);
- specific modules related to Legislative Decree No. 231/2001, part of the institutional training for new employees and middle management;
- advanced seminars on the Legislative Decree No. 231/2001 addressed to specific target personnel such as Entity Managers and company individuals with power of attorney.
Training sessions are mandatory; the participation to courses is traced and recorded by the Human Resources and Industrial Relations Department. Documents pertaining to staff training and information initiatives shall be available for consultation by the Oversight Board and other authorised persons and parties, with the Human Resources and Industrial Relations Department.

The Company also promotes knowledge and observance of its Code of Conduct and Model among its commercial and financial partners, advisors, collaborators in various capacities, clients and suppliers, to which such documents are rendered available through the corporate website.
SECTION 6 - ADOPTION AND UPDATING OF THE MODEL

Pursuant to express statutory provision, responsibility for the adoption and effective implementation of the Model lies with the Board of Directors which is consequently vested with the power to update the Model through Board resolutions passed pursuant to the same procedures regulating its initial adoption.

Updating, inclusive of both extensions and amendments, is aimed at ensuring the ongoing appropriateness and suitability of the Model, as assessed in terms of its efficiency in preventing the commission of offences targeted by Legislative Decree 231/2001.

The Oversight Board, on the other hand, is responsible for concretely checking the extent to which it is necessary and/or in the Company’s interest to update the Model, duly notifying the Board of Directors whenever updating becomes advisable. As part of the powers under Article 6, paragraph 1, letter (b) and Article 7, paragraph 4, letter (a) of the Decree, the Oversight Board is tasked with submitting recommendations to the Board of Directors in respect of the updating and ensuring ongoing relevance of this Model.

In any event, the Board of Directors shall duly amend and extend the Model without delay, upon the recommendation and in consultation with the Oversight Board, in the event of:

- departures from and non-compliance with the Model’s requirements, compromising its appropriateness and suitability to efficiently prevent the commission of targeted offences;
- significant changes in the Company’s organisational layout and/or business practices and operations;
- regulatory reforms.

The Oversight Board shall remain responsible for:

- periodically scrutinising business operations to pinpoint changes in the organisation of work processes, warranting a review of the mapping of sensitive activities;
- coordinating with the head of the Department for personnel training programmes;
- interpreting relevant legislation governing the crimes provided in the Decree, as well as any guidelines prepared, including the update of pre-existing guidelines, and verifying the adequacy of the internal control system in relation to legislative and guideline prescriptions;
- verifying the need to update the Model.

The heads of the various Company Departments concerned are tasked with devising and implementing changes in the work processes falling within their respective spheres of competence, in case such amendments are necessary to ensure effective compliance with the Model or where such processes prove inefficient in ensuring the proper application of the provisions of the Model. The relevant Company Departments shall also be responsible for updating and extending the procedures so that any future editions of this Model is implemented.

The Oversight Board must be duly notified of any and all amendments, updates and extensions brought to the Model.
ANNEX 1

1. **Crimes against the Public Administration** (Articles 24 and 25):
   - Unlawful receipt of funds to the detriment of the State, or other public body, or the European Union (Article 316-ter of the Italian Criminal Code);
   - Misappropriation to the detriment of the State or the European Union (Article 316-bis of the Italian Criminal Code);
   - Fraud against the State or another public body (Article 640 (2)(1) of the Italian Criminal Code);
   - Aggravated fraud in order to receive public funds (Article 640-bis of the Italian Criminal Code);
   - Computer fraud against the State or other public body (Article 640-ter of the Italian Criminal Code);
   - Corruption (Articles 318, 319, 320, 322-bis of the Italian Criminal Code);
   - Incitement to corruption (Article 322 of the Italian Criminal Code);
   - Judicial corruption (Article 319-ter of the Italian Criminal Code);
   - Official’s misconduct (Article 317 of the Italian Criminal Code);
   - Undue inducement to provide or promise benefits (Article 319-quater of the Italian Criminal Code);

2. **Computer crimes and unlawful data processing** introduced in the Decree by Law No. 48/2008 (Article 24-bis):
   - Unauthorised access to an IT or telematic system (Article 615-ter of the Italian Criminal Code);
   - Unauthorised possession or disclosure of access codes to IT or telematic systems (Article 615-quater of the Italian Criminal Code);
   - Distribution of equipment, devices or IT programs intended to damage or interrupt an IT or telematic system (Article 615-quinquies on the Italian Criminal Code);
   - Unlawful interception, impediment or interruption of IT or telematic communications (Article 617-quater of the Italian Criminal Code);
   - Installation of equipment capable of intercepting, preventing or interrupting IT or telematic communications (Article 617-quinquies of the Italian Criminal Code);
   - Damage to information, data and IT programs (Article 635-bis of the Italian Criminal Code);
   - Damage to information, data and IT programs used by the State or by another public body or however of public interest (Article 635-ter of the Italian Criminal Code);
   - Damage to IT or telematic systems (Article 635-quater of the Italian Criminal Code);
   - Damage to IT or telematic systems of public interest (Article 635-quinquies of the Italian Criminal Code);
   - Computer fraud by the person providing electronic signature certification services (Article 640-quinquies of the Italian Criminal Code).

• Organisations dedicated to committing criminal acts (Article 416 of the Italian Criminal Code);

• Mafia-type organisations, including from outside Italy (Article 416-bis of the Italian Criminal Code);

• Political vs Mafia electoral exchange (Article 416-ter of the Italian Criminal Code);

• Kidnapping individuals for the purpose of robbery or extortion (Article 630 of the Italian Criminal Code);

• Association dedicated to smuggling drugs or psychotropic substances (Article 74 of Presidential Decree (DPR) No. 309, dated 9 October 1990);

• Illegal manufacture, introduction into the national domain, sale, transfer, holding and carrying military weapons or similar weapons or parts thereof, explosives, clandestine weapons, including common firearms in a public place or a place open to the general public, excluding those envisaged under Article 2, paragraph 3 of Law No. 110 dated 18 April 1975, (Article 407, paragraph 2(a), No. 5 of the Code of Criminal Procedure).

4. Crimes relating to counterfeiting money, public credit cards, revenue stamps and instruments or identifying signs, introduced in the Decree by Law No. 409/2001 and amended by Law No. 99/2009 (Article 25-bis):

• Counterfeiting money, spending and complicit introduction of counterfeit money into the national domain (Article 453 of the Italian Criminal Code);

• Alteration of money (Article 454 of the Italian Criminal Code);

• Spending and non-complicit introduction of counterfeit money into the national domain (Article 455 of the Italian Criminal Code);

• Spending counterfeit money received in good faith (Article 457 of the Italian Criminal Code);

• Falsification of revenue stamps, introduction into the national domain, purchase, possession or distribution of counterfeit revenue stamps (Article 459 of the Italian Criminal Code);

• Counterfeiting watermarked paper in use to manufacture public notes or revenue stamps (Article 460 of the Italian Criminal Code);

• Manufacture or possession of watermarks or equipment intended to manufacture currency, revenue stamps or watermarked paper (Article 461 of the Criminal Code);

• Using counterfeit or altered revenue stamps (Article 464, paragraphs 1 and 2, of the Italian Criminal Code);

• Counterfeiting, alteration, use of trademarks or distinctive signs or patents, models or drawings (Article 473 of the Italian Criminal Code);

• Introduction into the national domain and trading of industrial products with fake signs (Article 474 of the Italian Criminal Code);

5. Crimes against industry and commerce, introduced in the Decree by Law No. 99/2009 (Article 25-bis 1):

• Disturbed freedom of industry or commerce (Article 513 of the Italian Criminal Code);

• Unlawful competition with threats or violence (Article 513-bis of the Italian Criminal Code);

• Fraud against national industries (Article 514 of the Italian Criminal Code);
Fraud in the exercise of trade (Article 515 of the Italian Criminal Code);

Sale of non-genuine foodstuffs as genuine (Article 516 of the Italian Criminal Code);

Sale of industrial products with false signs (Article 517 of the Italian Criminal Code);

Manufacture and trade of goods carried out by misappropriating industrial property rights (Article 517-ter of the Italian Criminal Code);

Infringement of geographical indications or designations of origin for agri-food products (Article 517-quat of the Italian Criminal Code).


- False corporate communications (Article 2621 of the Italian Civil Code);
- Less serious offences (Article 2621-bis of the Italian Civil Code);
- False corporate communications which damage the company, the shareholders or creditors (Article 2622 of the Italian Civil Code);
- Prevented control (Article 2625 of the Italian Civil Code);
- Unlawful return of contributions (Article 2626 of the Italian Civil Code);
- Illegal sharing of profits and reserves (Article 2627 of the Italian Civil Code);
- Unlawful transactions involving the company's shares or stakes or those of the parent company (Article 2628 of the Italian Civil Code);
- Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code);
- Failure to disclose a conflict of interest (Article 2629-bis of the Italian Civil Code);
- Fictitious formation of capital (Article 2632 of the Italian Civil Code);
- Unjustified distribution of company assets by liquidators (Article 2633 of the Italian Civil Code);
- Illegal influence on the shareholders' meeting (Article 2636 of the Italian Civil Code);
- Market manipulation (Article 2637 of the Italian Civil Code);
- Hindering public supervisory authorities from performing their functions (Article 2638, paragraphs 1 and 2, of the Italian Civil Code);
- Corruption between private parties (Article 2635 of the Italian Civil Code).

7. Crimes for the purposes of terrorism or subversion of the democratic order, introduced in the Decree by Law No. 7/2003 (Article 25-quat).


- Reduction to or maintenance in a state of slavery or servitude (Article 600 of the Italian Criminal Code);
- Child prostitution (Article 600-bis of the Italian Criminal Code);
- Child pornography (Article 600-ter of the Italian Criminal Code);
- Possession of pornographic material (Article 600-quat of the Italian Criminal Code);
• Virtual pornography (Article 600-quater 1 of the Italian Criminal Code, 609-undecies of the Italian Criminal Code);
• Solicitation of minors (Article 609-undecies of the Italian Criminal Code);
• Tourism initiatives aimed at the exploitation of child prostitution (Article 600-quinquies of the Italian Criminal Code)
• Trafficking in human beings (Article 601 of the Italian Criminal Code);
• Purchase and sale of slaves (Article 602 of the Italian Criminal Code);

• Insider trading (Article 184 of Legislative Decree No. 58/1998);
• Market manipulation (Article 185 of Legislative Decree No. 58/1998).

11. Transnational crimes, introduced by Law No. 146/2006:
• Criminal association (Article 416 of the Italian Criminal Code);
• Mafia-type criminal organisations, including from outside Italy (Article 416-bis of the Italian Criminal Code);
• Criminal association dedicated to smuggling tobacco products processed abroad (Presidential Decree (DPR) No. 43/1973, Article 291-quater);
• Association dedicated to smuggling drugs or psychotropic substances (Article 74 of Presidential Decree (DPR) No. 309/1990);
• Provisions on clandestine immigration (Article 12 of Legislative Decree 286/1998);
• Incitement not to make statements or to make fraudulent statements before the judicial authorities (Article 377-bis of the Italian Criminal Code);
• Personal aiding and abetting (Article 378 of the Italian Criminal Code).

12. Unintentional offences committed as a result of breaches of accident-prevention and occupational health and safety regulations, introduced by Legislative Decree 231/2007 (Article 25-septies):
• Negligent manslaughter (Article 589 of the Italian Criminal Code);
• Serious or very serious negligent injury (Article 590 of the Italian Criminal Code).

13. Receiving, laundering and using money, assets and profits obtained illegally, introduced by Legislative Decree 231/2007, as well as self-laundering (Article 25-octies):
• Receiving of stolen goods (Article 648 of the Italian Criminal Code);
• Money-laundering (Article 648-bis of the Italian Criminal Code);
• Use of money, assets or profits obtained illegally (Article 648-ter of the Italian Criminal Code);
• Self-laundering (Article 648-ter 1 of the Italian Criminal Code).

• Unlawful dissemination of copyrighted works or parts thereof over publicly accessible electronic networks, using connections of any nature or kind whatsoever (Article 171, paragraph 1, letter a-bis), Law No. 633/41);
- Committing the above offence in relation to someone’s work not intended for publication, or by usurping the paternity of or by making variations or disfigurements or amendments to the work in question when such entails offending the honour or reputation of the copyright holder (Article 171, paragraph 3, Law No. 633/1941);

- Abusive duplicating of computer programs to make a profit; importation, distribution, sale or possession for commercial or entrepreneurial purposes or leasing of programs on media which do not bear the relevant SIAE (Italian Authors and Publishers Association) mark; arrangements of means intended solely to permit or facilitate the arbitral removal or functional avoidance of devices applied to protect a computer program (Article 171-bis, paragraph 1, Law No. 633/41);

- Reproduction, transfer onto a different support, distribution, communication, presentation or public demonstration of database content in breach of the provisions provided for by Articles 64-quinquies and 64-sexies of Law No. 633/41, in order to make a profit and on supports that do not bear the SIAE marking; extraction or reuse of the database in breach of the provisions provided for by Articles 102-bis and 102-ter of Law No. 633/41; distribution, sale or leasing of databases (Article 171-bis, second paragraph, Law No. 633/41);

- The unlawful copying, reproduction, transmission or public dissemination using any means whatsoever, of all or part of intellectual property earmark for television or cinema circuit, as well as the sale or rental or discs, tape or similar storage media or any other storage medium containing phonograms or videograms of assimilated musical, cinematographic or audiovisual works or sequences of motion picture frames, the unlawful copying, reproduction, transmission or public dissemination using any means whatsoever, of literary, theatrical, scientific or didactical, musical or theatrical-musical, and multimedia works, or parts thereof, including those incorporated into collective or composite works or databases; the introduction into the national domain, even if not having participated in the duplication or reproduction, possession for sale or distribution, distribution, marketing, hire or transfer for whatever reason, projection in public, broadcasting by television using any procedure, transmission by radio, arrangement for the illegal reproductions mentioned in this paragraph to be listened to in public; the possession for sale or distribution, distribution, marketing, hire or transfer for whatever reason, projection in public, broadcasting by television using any procedure, transmission by radio, arrangement for the above-mentioned illegal duplications or reproductions to be listened to in public; the possession for sale or distribution, marketing, sale, hire, transfer for whatever reason, transmission by radio or by television using any procedure, video cassettes, audio cassettes, any support media containing phonograms or videograms of musical, cinema or audio-visual works or sequences of moving images or other support media for which affixing the marking of the Italian Authors and Publishers' Society (S.I.A.E.) is provided for by Law No. 633/1941, but without the marker sticker concerned or with a counterfeit or falsified marking; the transmission or broadcasting, using any means, of an encrypted service received by means of apparatus or parts of apparatus able to decode transmissions subject to conditional access, without having an agreement with the lawful distributor; introduction into the national domain, possession for sale or distribution, distribution, sale, hire, transfer for whatever reason, commercial promotion, installation of devices or special decoding elements which allow access to an encrypted service without paying the fee due; the manufacturing, import, distribution, sale, hire, transfer for whatever reason, advertising for sale or for hire, or possession for commercial purposes of equipment, products or components, or provision of services which have the prevalent purpose or commercial use of avoiding the effective technological measures set out under Article 102-quater of Law No. 633/1941 or are mainly designed, manufactured, adapted or produced with the aim of rendering it possible or to facilitate the avoidance of the foregoing measures; the illegal removal or modification of the electronic information set out under Article 102-quinquies, or distribution, import for purposes of distribution,
broadcasting by radio or by television, communication or dissemination to the general public of protected works or other materials from which the electronic information concerned has been removed or modified (Article 171-ter, paragraph 1, Law No. 633/1941);

- the unlawful reproduction, copying, transmission or dissemination, sale, marketing or transfer for any reason or cause whatsoever, as well as the unlawful import of over fifty copies or reproductions of copyrighted or similarly protected works; uploading a copyrighted work or any part thereof on to an electronic network system using connections of any nature or kind whatsoever; the commission of one of the offences specified in the point above by performing activities in an entrepreneurial form to reproduce, distribute, sell or trade the import of works protected by copyright and by related rights; the promotion or organisation of illegal activities as specified in the point above (Article 171-ter, paragraph 2, Law No. 633/41);

- Failure to notify the SIAE, by manufacturers or importers of support media not subject to the marking set out under Article 181-bis of Law No. 633/1941, within thirty days from the date of marketing or importing to the national domain, of the identification data of the support media not subject to marking, or the issue of false statements in such regard (Article 171-septies of Law No. 633/1941);

- Fraudulent production, sale, importation, promotion, installation, modification, public and private use of equipment or part of equipment for decoding audiovisual programmes of restricted access via ether, satellite, cable, in analogical or digital form (Article 171-octies, Law No. 633/41).

15. Incitement not to make statements or to make fraudulent statements before the judicial authorities (Article 377-bis of the Italian Criminal Code), introduced in the Decree by Law No. 116/2009 (Article 25-novies)


- Environmental pollution (452-bis of the Italian Criminal Code);

- Environmental disaster (452-quater of the Italian Criminal Code);

- Negligent offences against the environment (Article 452-quinquies of the Italian Criminal Code);

- Illicit traffic and disposal of highly radioactive materials (Article 452-sexies of Italian Criminal Code);

- Aggravating circumstances (452-octies of the Italian Criminal Code)

- Killing, destruction, capture, withdrawal or possession of protected wild plant and animal species (Article 727-bis of the Italian Criminal Code);

- Destruction or degradation of habitats within a protected area (Article 733-bis of the Italian Criminal Code);

- Dumping (without authorisation or in the case of its suspension or withdrawal) of industrial waste-water containing hazardous substances and dumping into the sea, from ships or airplanes, of absolutely banned substances or materials (Article 137, paragraphs 2, 3, 5, 11 and 13 of Legislative Decree No. 152/2006);
- Unauthorised waste management (Article 256, paragraphs 1, 3, 5 and 6, sentence 2, of Legislative Decree No. 152/2006);
- Failure to restore contaminated sites in compliance with the project approved by the relevant authorities (Article 257, paragraphs 1 and 2, of Legislative Decree No. 152/2006);
- Violation of obligations to give notice and keep compulsory registers and forms (Article 258, paragraph 4, sentence 2, of Legislative Decree No. 152/2006);
- Illicit waste trafficking (Article 259, paragraph 1, of Legislative Decree No. 152/2006);
- Organised illicit waste-trafficking activity (Article 260, paragraphs 1 and 2, of Legislative Decree No. 152/2006);
- Preparing a false waste analysis certificate for use in the waste traceability control system – SISTRI (Handling area) and fraudulent alteration of the hard copy of the SISTRI form (Handling area) (Article 260-bis of Legislative Decree No. 152/2006);
- Breach of the maximum emission limit values which entail the breach of air quality limit values (Article 279, paragraph 5, of Legislative Decree No. 152/2006);
- Import, export or re-export of specimens belonging to the protected species under Annexes A, B and C of Council Regulation No. 338/97/EC of 9 December 1996 and subsequent amendments and integrations; failure to comply with the requirements aimed at ensuring safety of the protected specimens; use of the above specimens contrary to the requirements contained in the authorisations or certificates; transport and transit of specimens in the absence of the prescribed certificate or permit; trade in artificially propagated plants contrary to the provisions under Article 7, paragraph letter b) Council Regulation No. 338/97/EC of 9 December 1996 and subsequent amendments and integrations; possession, use for profit-making purposes, purchase, sale, exhibition or possession for sale or commercial purposes, offer for sale or transfer of specimens without the required documentation (Articles 1 and 2 of Law No. 150/1992);
- Counterfeiting or alteration of certificates, permits, import reports, statements and information notices provided for in Article 16, paragraph 1, letter a), c), d), e), and l), of Council Regulation No. 338/97/EC of 9 December 1996 and subsequent amendments and integrations (Article 3 Law No. 150/1992);
- Keeping live specimens of mammals and wild species of reptiles or species that have been reproduced in captivity that are a hazard to public health and safety (Article 6 of Law No. 150/1992);
- Halt and reduction of use of harmful substances (Article 3 of Law No. 549/1993);
- Intentional pollution by a ship flying the flag of any country (Article 8 of Legislative Decree No. 202/2007);
- Negligent pollution by a ship flying the flag of any country (Article 9 of Legislative Decree No. 202/2007).
