ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL

EX LEGISLATIVE DECREE 8 JUNE 2001 no. 231

Update submitted to the Board of Directors of A.C. Pisa 1909 for approval

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A.C. Pisa 1909

Organisational, Management and Control Model ex LD no. 231/2001

GENERAL PART

1. Introduction

A.C. Pisa 1909 adopts the following "Organization, Management and Control Model", hereinafter "Organization Model" or simply "Model) ex LD no. 231/01 to carry on prevention activities with regards to penal and sports crimes.
The Model is made of a General Part, which contains provisions common to all predicate offences under LD no. 231, and a Special Part subdivided in annexes, each of which brings together the specific rules applicable to groups of crimes having common characteristics.

2. Terms and definitions

Risk analysis. Specific analysis activities of the organization aimed at detecting the activities in the context of which crimes may be committed.

Audit of management system. Systematic, independent and documented check process carried on to obtain objective evidence on records, statements of facts or other information necessary to determine whether the management system conforms to the politics, procedure or requirements of the management system adopted by the organization.

Corrective action. Group of coordinated activities aimed at eliminating the causes of a detected non-conformity.

Preventive action. Group of coordinated activities aimed at eliminating the causes of a potential non- conformity.

Customer. Natural person/legal person (company, body, institution, organisation, etc.) receiving products or services.

Code of Ethics. Group of rights, duties and responsibilities of the Institution in relation to third parties (that is employees, customers, suppliers, etc.) aimed at promoting, recommending or prohibiting specific behaviour beyond and irrespective of regulatory requirements.

Legislative Decree 231/2001. Legislative Decree 8 June 2001 no. 231 and further amendments and supplements.

Documents. Any written, illustrated or recorded information describing, defining, specifying documenting or certifying activities, requirements, procedures or results relating to the prevention of crimes.

Supplier. Natural person/legal person (company, body, institution, organisation, etc.) supplying products or services.

Information. Documented information aimed at providing concise instructions on how to perform a given activity.

Continuous improvement. Management system process to achieve improvements in overall performance in accordance with the organisation's policy.

Organisational Model. Group of adopted and implemented structures, responsibilities, methods of carrying out activities and protocols/procedures through which the organisation's typical activities are carried out.

Non conformity. Failure to meet specified requirements.

Organization. Group, firm, company, enterprise, body or institution – or their parts or combinations in associated form or not - having public or private nature, with its own functional and administrative structure implementing and effectively applying this Organisational Model.

Supervisory and control body. The Body referred to in Art. 6 clause 1 letter b of LD 231/01.

Danger. Source, situation or act which may cause committing a predicate crime with administrative responsibility according to LD no.231/01.

Crime prevention policy. Objectives and general directions of an organisation with regard to the prevention of crimes, formally expressed by Management.

Documented procedure. Document describing responsibilities, activities and the way they have to be carried out. This document has to be prepared, approved, implemented and updated.

Process. Set of related or interacting activities that transform input elements into output elements.

Protocol. Specified method to carry out and activity or a process.

Review. An activity carried out to review the suitability, adequacy and effectiveness in achieving the predetermined objectives.

Risk. Probability of reaching the threshold of committing a predicate offence with administrative liability pursuant to LD no. 231/2001**.**

Acceptable risk. Risk that can be reduced to a level that can be tolerated by the organisation with reference to its legal obligations and to what is expressed in the so called *SGRA* (Administrative responsibility management system), that is that provides for such a prevention system that cannot be circumvented but fraudulently.

Disciplinary system (DS). The disciplinary system referred to in Art. 6 clause 2 letter e) of LD no. 231/01.

Top Management. Individuals referred to in Art. 5 letter a) of LD no. 231/01.

Subordinates. Individuals referred to in Art. 5 letter b) of LD no. 231/01.

CHAPTER NO. 1 LEGISLATIVE FRAMEWORK

1. LEGISLATIVE DECREE NO. 231 OF 2001.

1. The system of administrative liability of Organizations and the fundamental principles of the legislation.

Legislative Decree no. 231 of 8 June 2001 - for the first time in our state system - introduced the possibility of recognising in criminal proceedings the liability of organisations, in addition to that of the natural person who materially carried out the unlawful act, if this occurs “to the advantage” of the organisation or even only “in the interest” of the organisation.

The identification of such an “advantage” requires an evaluation activity carried out from an ex-post perspective: that is, verifying whether the company took advantage of the fact committed by its co-worker (obtaining, for example, a result that it would not otherwise have obtained or only obtaining it more easily or quickly, acquiring a qualitative or even a quantitative type advantage).

The identification of an “interest”, on the other hand, requires an assessment from an ex-ante perspective, that is, verifying - in the position of the company before committing the act - whether and to what extent it would have had an interest in its commission.

For the purposes of this assessment, the crime may be committed both by persons in top positions and by persons subject to the direction of others, including persons not necessarily present in the organisation chart, such as consultants or agents.

Top Management means all those who hold positions involving representation, administration or management of the Institution or one of its organisational units with functional autonomy, as well as persons who exercise, even de facto, the management and control thereof.

Subordinates are understood to be – on a residual basis - all collaborators of the Institution who do not hold the aforementioned top position.

Obviously, this distinction involves the application of a different liability criterion on the part of the body for the presence of personnel in a top position or of personnel in a subordinate position.

In the event of an act committed by individuals at the top of the Institution, the latter shall not be liable if it proves that it has taken the necessary measures to prevent the commission of crimes of the type committed.

Clause 1 of Article 6 of LD 231/01 - with a substantial reversal of the burden of proof - requires the Institution to provide evidence that the management body has adopted, before the commission of the crime, organisational and management models suitable for that purpose, that it has set up a body with autonomous powers of initiative and control with the task of supervising compliance with the

compliance programme and that such control has been adequate.

Lastly, the crime must be the result of the personal initiative of a disloyal manager, who fraudulently evaded the supervision exercised.

As far as subordinates are concerned, the Institution shall be held responsible if the perpetration of the act was made possible by the failure to comply with management or supervisory obligations, that is in the case of a negligent company, especially in terms of control.

Differently from the hypothesis of involvement of the top management figure, in this case the burden of proof falls on the one who blames and not on the Institution.

The company is not liable, by express legislative provision (Article 5, clause 2 of LD no. 231/2001), if the co-workers who committed the crime acted solely in their own interest or that of third parties.

The extension of liability is aimed at involving in the sanction resulting from the commission of certain crime the assets of the entities and, therefore, the economic interests of the shareholders.

The latter, before these provisions came into force, did not suffer any consequences arising from the commission of crimes committed, to the company's advantage, by managers or employees.

The principle of personal criminal liability - referred to in the well-known Latin proverb *"societas delinquere non potest"* - left the latter free of any sanctions other than those of a compensatory nature (compensation for damage, most often covered by insurance guarantees).

As a matter of fact, in terms of the criminal consequences, it should be noted that only in a few cases (consider Articles 196 and 197 of the Criminal Code) there is a civil obligation (fines or penalties), in the event of insolvency of the material author of the fact.

The innovative impact of the legislation is considerable, as it involves the organisation - and its members who were previously totally uninvolved - in criminal proceedings for crimes committed to the advantage or in the interest of the organisation itself.

This is of great interest to all those involved in the organisation's assets, in the process of checking the regularity and legality of the organisation's management.

2. The system of sanctions.

Pursuant to Article 9 of the aforementioned decree, the following are identified as sanctions for administrative crimes dependent on a crime

- pecuniary sanctions

- prohibitory sanctions

- confiscation;

- publication of the judgment.

Pecuniary sanctions apply in any case, but their amount is not predetermined.

Established on a "quota" basis and in relation to the gravity of the crime and to the economic conditions of the Company (always applied, pursuant to Article 10 of the Decree, for administrative crimes dependent on a crime), they are applied in a number not less than one hundred and not more than one thousand, with a minimum of € 258.00 and a maximum of € 1,549.00 and, moreover, with the possibility of reduced payment.

On the other hand, as far as the following prohibitory sanctions:

- the disqualification from exercising the activity;
- the suspension or revocation of authorisations, licences or concessions functional to the commission of the crime;
- the prohibition to contract with the Public Administration, except in order to obtain the performance of a public service;
- the exclusion from benefits, financing, contributions or subsidies and possible revocation of those already granted; the prohibition to advertise goods or services)

they apply only in relation to the crimes for which they are expressly provided for in the Decree.

More specifically, prohibitory sentences are subject to the fulfilment of at least one of the following conditions:

- that the Institution has derived a significant profit from the crime and the crime was committed by persons in a top position or by persons subject to the direction of others provided that the occurrence of the crime was determined or facilitated by serious organisational deficiencies;
- there has been a reiteration of the administrative crimes.

Prohibitory measures - especially for large organisations - although in a less immediate form than pecuniary measures, can generate considerable indirect economic losses, especially in the perspective of lost earnings.

The type and duration of prohibitory sanctions are established by the judge, taking into consideration the seriousness of the crime, the degree of liability of the Institution and the activity carried out by the Institution to eliminate or mitigate the consequences of the crime and to prevent the commission of further crimes.

Moreover, prohibitory sanctions can be applied to the Institution on a precautionary basis when

there are serious clues as to the existence of the Institution's liability in the commission of the crime and there are well-founded and specific elements indicating that there is a concrete danger that crimes of the same nature as the one for which proceedings are brought may be committed (Article 45).

If the prerequisites exist for the application of a prohibitory sanction that results in the interruption of the Institution's activity, the judge, instead of applying the sanction, may order the continuation of the Institution's activity by a commissioner, for a period of the same duration as that of the prohibitory measure, when at least one of the following conditions applies:

- the Institution performs a public service or a service of public necessity, the interruption of which could cause serious harm to the community;
- the interruption of activity may have a significant impact on employment.

Failure to comply with the prohibitory sanctions constitutes an autonomous crime provided for by the Decree as a source of possible administrative liability of the Institution (Article 23).

In addition to the abovementioned sanctions, the Decree provides that the price or profit of the crime must always be confiscated, which may include goods or other benefits of equivalent value, as well as the publication of the conviction in the presence of a prohibitory sanction.

3. The types of crime.

In the broad regulatory framework here analysed, it should be specified that the company is not liable indiscriminately for the commission of all the crimes provided for by the Criminal Code and other sources of criminal law, but exclusively for the following crimes listed in the catalogue of LD no. 231/2001, which are defined - precisely for this purpose - as "predicate offences":

- Crimes to the detriment of the Public Administration (Embezzlement to the detriment of the State, undue receipt of funds to the detriment of the State, fraud to the detriment of the State or other public body or of the European Communities or for obtaining public funds and computer fraud to the detriment of the State or other public body; misappropriation, extortion, undue induction to give or promise other benefits and bribery), Articles 24 and 25, LD no. 231/2001);
- Computer fraud and unlawful data processing (Art. 24-bis, LD no. 231/2001);
- Organized crime (Art. 24-ter, LD no. 231/2001);
- Forgery of money, public credit cards, revenue stamps and identifying instruments or signs (Art. 25-bis, LD no. 231/2001);
- Crimes against industries and trade (Art. 25-bis.1, LD no. 231/2001);

- Corporate crimes (Art. 25-ter, LD no. 231/2001);
- Terrorist crimes or subversive crimes of the democratic order provided for by the Criminal Code and special laws (Art. 25-quater, LD no. 231/2001);
- Mutilation practices of female genital organs (Art. 25-quater.1, LD no. 231/2001);
- Crimes against the individual (Art. 25-quinquies, LD no. 231/2001);
- Crimes of market abuse (Art. 25-sexies, LD no. 231/2001);
- Crimes of manslaughter and grievous or very grievous bodily harm committed in breach of the rules on health and safety at work (Art. 25-septies, LD no. 231/2001);
- Receiving, laundering and using money, goods or benefits of unlawful origin, as well as self-laundering, (Art. 25-octies, LD no. 231/2001);
- "Copyright" violation crimes (Art. 25-novies, LD no. 231/2001);
- Inducement not to make statements or to make false statements to the Judicial Authorities (Art. 25-decies, LD no. 231/2001);
- Environmental crimes (Art. 25-undecies, LD no. 231/2001);
- Use of third-country citizens irregularly staying (Art. 25-duodecies LD no. 231/2001, introduced by LD 109/2012)
- Propaganda and incitation to commit racial, ethnic and religious discrimination (Art. 25-terdecies LD no. 231/2001, introduced by L. 167/2017)
- Fraud in sporting competitions, unlawful gaming or betting and gambling by means of prohibited devices (Art. 25-quaterdecies introduced by law 3 May 2019, no. 39)
- Fiscal crimes (Art. 25-quinquiesdecies LD no. 231/2001, introduced by L. 157/2019 and modified by LD 75/2020)
- Contraband crimes recalling crimes under Presidential Decree 23 January 1973 no. 43 (Art. 25-sexiedecies LD no. 231/2001, introduced by LD 75/2020)
- Transnational crimes relating to criminal associations, money laundering, smuggling of migrants, obstruction of justice (Law 16 March 2006, no. 146 articles 3 and 10);

The Institution is also liable for crimes committed abroad, provided that the State where the crime was committed does not prosecute the same.

Particularly, on the basis of the provisions of Article 4 of the Decree, the Institution based in Italy may be held liable, in relation to crimes committed abroad, under the following conditions:

- The crime must be committed abroad by a person functionally linked to the Institution (Art.5

clause 1 of the Decree);

- The Institution must have its head office in the territory of the Italian State;
- The Institution may be liable only in the cases and under the conditions provided for in Articles 7 (Crimes committed abroad), 8 (Political crime committed abroad), 9 (Common crime of the citizen abroad) and 10 (Common crime of the foreigner abroad) of the Criminal Code;

Only the commission, by a top manager or of a subordinate of the Institution, of one of the above-mentioned "predicate offences" indicated in Legislative Decree no. 231/2001 and provided that the interest or advantage of the Institution itself can be identified, may lead to a liability call of the "*societas*", in addition to the material author of the fact.

In the Special Part, this Organisational Model consists of a series of annexes, each relating to groups of crimes indicated in LD no. 231/01 and deemed applicable to A.C. Pisa 1909.

4. Exemption from liability of the institution: the organisational model 231.

The *ratio* of the Decree remains, however, that of providing for the organisation to totally or partially escape the application of the envisaged sanctions under certain conditions.

In particular, Articles 6 and 7 of the Decree provide for specific forms of exemption from administrative liability of the organisation for crimes committed in its interest or to its advantage by both top managers and employees.

Article 6 of the Decree, in the case of crimes committed by top managers - insofar as they are the holders of representative, administrative or managerial functions in the Institution or in one of its organisational units with financial and functional autonomy, or holders of the power, even if only *de facto*, to manage and control the Institution - provides for a specific form of exemption from administrative liability in the event that the Institution proves that:

a) before the crime was committed, the management body has adopted and effectively implemented organisation and management models capable of preventing crimes of the kind committed;

b) the task of supervising the functioning of and compliance with the models - as well as taking care of their updating - has been entrusted to a body endowed with autonomous powers of initiative and control;

c) the individuals who committed the crimes acted by fraudulently bypassing the aforementioned models;

d) there has been no omitted or insufficient supervision by the body referred to in point b) above.

In the case, on the other hand, of crimes committed by subordinates - persons subject to the direction or supervision of others - Article 7 of the Decree provides that the Institution is liable if the commission of the crime was made possible by failure to comply with the obligations of direction and supervision.

Such non-compliance is in any case excluded if the Institution, before the crime was committed, adopted and effectively implemented an Organisation, Management and Control Model capable of preventing crimes of the kind committed.

Along with the predicate offences commission by the top management or subordinates of the institution, the following must be assessed in criminal proceedings:

- the suitability of the Model, understood as the capacity in abstract (and ex ante) to prevent committing the crime;
- the effective implementation of the Model in the company's organisational reality;
- the existence of the Model and its adoption and awareness prior to the time when the crime was committed;
- the correspondence between the precautionary spectrum violated and the type of crime committed.

The Model, moreover, to always prove “up-to-date” and consistent with the law provisions, must be dynamic and always updated, capable of consistently imposing on the Institution and the recipientss both preventive and sanctioning indications.

From all the above, it is clear that it is in the interest of every company to adopt an Organisational Model capable of avoiding - in the event of commissioning the alleged crimes - the pecuniary and disqualification sanctions provided for, and in general all those capable of affecting its business.

The company that has not adopted the Organisational Model is therefore liable for "organisational fault", if it has not adopted all the precautionary measures capable of preventing the commission of the crimes referred to in LD no. 231/01.

Even in the case of adoption of an Organisational Model, there remains a residual spectrum of risk of committing crimes, but this is certainly more reduced and minimal.

Anyone who commits a crime must prepare himself for a conduct which in preliminary form is in breach of the precautionary measures laid down in the Organisational Model.

5. The contempt of the Organizational Model adopted pursuant to LD no. 231/01.

Art. 6, clause. 2, of LD no. 231/2001, specifically points out the key features to create an optimal “Organisational, Management and Control Model”.

It is the regulation itself that explicitly identifies the main elements of the whole system:

- the identification of risks, resulting from the analysis of the company context to highlight in which area/sector of activity and in what manner events detrimental to the objectives set out in Legislative Decree 231/01 may occur (risk analysis)
- the design of the control system (with the help of the so-called "protocols for planning the formation and implementation of the organisation's decisions"), that is the assessment of the existing system within the organisation and its possible adaptation;
- the establishment of a Supervisory and Control Body, which will oversee the effectiveness of the control system;
- the establishment of an internal Disciplinary and Sanctioning System;
- the drafting of a Code of Ethics.

This system - far from being defined in a one-off manner - to ensure effective operation must be a continuous process, with periodic activity and continuous attention to the changes in both the organisation and the regulatory framework of reference.

On the basis of what has been stated above, this document represents the Organisational, Management and Control Model of A.C. Pisa 1909 in accordance with Articles 6 and 7 of LD no. 231/2001.

6. The Organisational Model 231/2001 in football clubs (with express reference to Art. 7 of the FIGC Statutes and Art. 13 of the FIGC Code of Sporting Justice).

The Organisational Model, recommended as best practice - where not compulsory - for all types of organisations, becomes of considerable importance for professional football clubs, such as A.C. Pisa 1909.

The same Decree provides that organisation and management models may be adopted, guaranteeing the above requirements, on the basis of codes of conduct drawn up by representative trade associations.

In this regard, the Statute of the FIGC, in Art. 7 clause 5, indeed, provides that football clubs must adopt Organisational Models "suitable to prevent the commission of acts contrary to the principles of fairness, correctness and probity", also clarifying that: "the aforesaid models, taking into account the size of the club and the competitive level at which it operates, must provide for: a) appropriate measures to ensure that the sporting activity is carried out in compliance with the law and the sporting regulations, as well as to promptly detect risk situations; b) the adoption of a Code of Ethics, specific procedures for both administrative and technical-sports decision-making phases, as well as adequate control mechanisms c) the adoption of an incisive internal disciplinary system capable of sanctioning non-compliance with the measures indicated in the model; d) the

appointment of a supervisory body, made up of persons of the highest independence and professionalism and endowed with autonomous powers of initiative and control, charged with supervising the functioning of and compliance with the models and with keeping them updated'.

In conjunction, Article 13 of the Code of Sporting Justice expressly provides for the exemption of the football club's liability for the conduct of its "supporters" where an organisational model capable of preventing conduct of the kind usually occurring (for example violent acts and discriminatory conduct by team supporters) has been adopted and effectively implemented before the event.

Furthermore, the Organization Model become very important also in the case of more serious violation of the Code of Justice, as the case of sporting crime, this particular case being linked to the alteration - even if only attempted - of competitions by members (direct and objective liability) or by third parties (presumed liability) for which, due to the so-called 'bond of organic identification", clubs are also liable, with very heavy sporting sanctions (which can lead to relegation to a lower category, revocation of the title and even revocation of affiliation).

The adoption - connected with a full and effective implementation - of the Organisational Model by a football club therefore makes it possible to avoid - or considerably reduce the sanctioning impact - the responsibility of the same, in the event of the commission of crimes inherent to its activity (for example, but certainly not limited to: culpable lesions and culpable homicide for violation of accident prevention regulations; crimes against the Public Administration such as bribery and extortion; corporate crimes; money laundering and fencing; etc) by company employees, or the commission of various "sporting" crimes.

The exemption value of the Organisational Model has been recognised on several occasions by the sporting justice bodies.

By way of example, reference is made to a case - the arbitration award of 27 October 2006 in the case of FC Juventus vs. FIGC - in which it was positively assessed that: *"in analogous application of the regulations on the responsibility of legal persons (LD. no. 231 of 8 June 2001), according to which, in order to determine the entity of the sanction, reference must be made not only to the seriousness of the fact and the degree of responsibility of the body, but also to the activity performed to eliminate or mitigate the consequences of the fact and to prevent the commission of further crimes"*.

In this context, the Organisational Model represents for professional football clubs an essential tool in the dual purpose of avoiding as a priority the emergence of crimes and offences of sporting nature and, in the event of their commission by collaborators, of imputing to the same the disciplinary consequences connected to the recognition of responsibility.

On the level of secondary regulations, the Self-Regulatory Code of the *Lega Nazionale Serie B* (LNPB) provides that "the Clubs, for the purposes of registration for the *Serie B* Championship or within the deadline set by the Board, must adopt the Model of Organisation, Management and Control referred to in LD no. 231 of 8 June 2001", effectively making the adoption of this Model a mandatory condition for participation in the *Serie B* Championship.

Compared to the framework of cases identified by the LNPB, A.C. Pisa 1909 has intended to provide - with obvious extension - the hypotheses linked to the violation of the hypotheses connected to the so-called "sports crimes".

In this Organisational Model, as a matter of fact, the hypotheses of violation of the rules both of criminal derivation (think of sporting fraud, doping, participation and collection of illegal bets, etc.) and of purely sporting derivation (acts of supporters) have been considered with the provision of Annex X.

CHAPTER NO. 2 DESCRIPTION OF THE CLUB

2.1 Presentation of A.C. Pisa 1909.

“A.C. PISA 1909 s.s.r.l.”, in short "A.C. Pisa 1909", has its legal seat in the city of Pisa, with registration at the Pisa Chamber of Commerce under REA number n. PI - 166707. According to its Articles of Association, the Club has the following corporate purpose:

THE EXCLUSIVE OBJECT OF THE CLUB IS THE EXERCISE OF SPORTING ACTIVITIES AND ANY OTHER CONNECTED AND INSTRUMENTAL ACTIVITY, AS WELL AS THE PROMOTION AND ORGANISATION OF COMPETITIONS, TOURNAMENTS AND ANY OTHER ACTIVITY CONCERNING FOOTBALL, WITH THE AIMS AND OBSERVANCE OF THE RULES AND DIRECTIVES OF THE *FEDERATIONE ITALIANA GIUOCO CALCIO* (Italian Football Federation) *(F.I.G.C.)* AND ITS ORGANS TO WHICH IT IS AFFILIATED, AS WELL AS THE PRACTICE OF ALL OTHER SPORTING ACTIVITIES THAT THE CLUB INTENDS TO EXERCISE AND THE ORGANISATION OF TEACHING ACTIVITIES FOR THE INITIATION, UPDATING AND IMPROVEMENT OF THE SPORTING ACTIVITIES PROMOTED BY THE CLUB ITSELF. THE CLUB UNCONDITIONALLY ACCEPTS TO COMPLY WITH THE RULES AND DIRECTIVES OF THE C.I.O., THE C.O.N.I., THE NATIONAL AND INTERNATIONAL FEDERATIONS TO WHICH IT BELONGS AND UNDERTAKES TO ACCEPT AS OF NOW ANY DISCIPLINARY MEASURES THAT THE COMPETENT SPORTS BODIES MAY ADOPT AGAINST THE CLUB, AS WELL AS THE DECISIONS THAT THE FEDERAL AUTHORITIES MAY TAKE IN ALL DISPUTES OF TECHNICAL AND DISCIPLINARY NATURE PERTAINING TO SPORTS ACTIVITIES. THE RULES CONTAINED IN THE STATUTE AND IN THE FEDERAL REGULATIONS IN THE PART RELATING TO THE ORGANISATION AND MANAGEMENT OF THE AFFILIATED SOCIETIES THEREFORE CONSTITUTE AN INTEGRAL PART OF THE PRESENT STATUTE. FOR THE IMPLEMENTATION OF THE CORPORATE PURPOSE STATED ABOVE AND FOR THE ACHIEVEMENT OF THE PURPOSES SPECIFIED IN THE PRECEDING PARAGRAPHS, THE CLUB, IN THE SOLE OPINION OF THE ADMINISTRATIVE BODY, BY WAY OF EXAMPLE AND WITHOUT LIMITATION, MAY: - CARRY OUT REAL ESTATE TRANSACTIONS AND IN PARTICULAR THOSE RELATING TO THE CONSTRUCTION, EXTENSION, EQUIPPING AND IMPROVEMENT OF SPORTS FACILITIES, INCLUDING THE ACQUISITION OF THE RELATIVE AREAS, AS WELL AS THE PURCHASE OF PROPERTY TO BE USED FOR SPORTS ACTIVITIES; - PROMOTE AND ADVERTISE ITS ACTIVITIES AND ITS IMAGE USING MODELS AND EMBLEMS, DIRECTLY OR THROUGH THIRD PARTIES; - CARRY OUT COMMERCIAL AND INDUSTRIAL, FINANCIAL, BANKING, MORTGAGE AND REAL ESTATE TRANSACTIONS, INCLUDING THE LEASING OF COMPANIES AND/OR COMPANY BRANCHES AND ALSO INCLUDING THE PURCHASE, SALE AND EXCHANGE

OF MOVABLE PROPERTY, INCLUDING REGISTERED PROPERTY, REAL ESTATE AND REAL ESTATE RIGHTS, AS WELL AS THE ACQUISITION AND SALE OF ADVERTISING SPACE DURING THE SPORTING EVENTS OF ITS TEAMS, BOTH IN THE SPORTS FACILITIES WHERE SUCH EVENTS TAKE PLACE AND OUTSIDE; - RESORT TO ANY FORM OF FINANCING WITH CREDIT INSTITUTIONS, BANKS, INSURANCE COMPANIES, ETC. GRANT SURETIES, ENDORSEMENTS AND COLLATERAL IN FAVOUR OF THIRD PARTIES; - ACQUIRE, WITH ACTIVITIES EXERCISED NOT VIS-À-VIS THE PUBLIC AND NOT ON A PREVALENT BASIS, INTERESTS, QUOTAS AND SHAREHOLDINGS IN OTHER CORPORATIONS OR COMPANIES ESTABLISHED OR BEING ESTABLISHED WITH SIMILAR, ANALOGOUS OR IN ANY CASE CONNECTED OBJECTS AND/OR PURPOSES TO ITS OWN BOTH DIRECTLY AND INDIRECTLY, WITH THE EXPRESS EXCLUSION OF THE PURPOSE OF PLACEMENT AND WITHIN THE LIMITS ENVISAGED BY LEGISLATIVE DECREE NO. 385 OF 1 SEPTEMBER 1993, PARTICIPATE IN CONSORTIA AND/OR GROUPS OF COMPANIES, INCLUDING TEMPORARY ONES; - ENTER INTO CONTRACTS FOR THE PROVISION OF SPORTS SERVICES PURSUANT TO LAW 91/1981 AND SUBSEQUENT AMENDMENTS. ALL THE ACTIVITIES LISTED MAY BE CARRIED OUT BOTH IN ITALY AND ABROAD.

The Club was founded on 9 April 1909, as “Pisa Sporting Club”, initiative of some students.

The club colours, white-and-red in the beginning, in honour of the colours of the town’s coats of arms, were then changed into black-and-blue, as currently confirmed.

The club began to play in championships of some importance, in the post-war period and using a new stadium - *Arena Garibaldi* – inaugurated on 26 October 1919.

In 1921, the club even nearly won the championship, and was beaten by Pro Vercelli in the playoff in Turin, where they came in strong with the title of *Coppa Toscana* and of the final victory for the centre-south round title.

The following negative time in the inter-war years – which brought the club down to the third division - did not prevent the expansion of the *Arena Garibaldi* which, renamed *“Campo del Littorio”*, reached a capacity of 7,000 people.

After coming very close to the Major League in the 1947-48 season, ending up after Palermo, Pisa fell down till the IV League and from there, down to the relegation in *“Promozione”*, when the whole team was involved in an accident in May 1955 and the footballers, who were all seriously injured, could not take part in the following matches, all of which they lost.

The ascent reached its peak in the 1967-68 season, when the first Promotion in Major League arrived.

The major league lasted one season only and they had to wait till 1982 for a comeback, when Romeo Anconetani took over as president.

Under the lead of this president the club reached its sports peak with six Major League Championships, nine *Serie B* Championships and the victory of two “Mitropa Cups”.

In 1994 the club, after being relegated to *Serie C* following the play-off lost to Acireale, declared bankrupt and the continuation of football activity was resumed by "*Pisa Calcio*" that, starting from *“Eccellenza”,* managed to reach the *Serie B* again in 2007.

The following year, the Club very nearly reached the Major League with the play-offs and went bankrupt again for the second time in 14 years.

This time it was “A.C. Pisa 1909” to start again, with a debut in the *Serie D* championship and further promotion to *Serie B* in the summer of 2016.

2.2. *Corporate Governance*: the actors of control

A.C. Pisa 1909 adopts a traditional governance structure, with a Board of Directors and a Board of Auditors, whose members are appointed by the Shareholders' Meeting.

The Board of Directors has the power to carry out all operations necessary for the pursuit of the strategic objectives and the achievement of the corporate purpose, without any restrictions.

The Board of Directors is responsible for assessing the adequacy of the organisational, administrative and accounting structure put in place by the delegates, with particular reference to the internal control system and the management of conflicts of interest, with respect to the nature and size of the Club.

The Board of Auditors (hereinafter also "BOA") of A.C. Pisa 1909, pursuant to Art. 2403 of the Italian Civil Code, "*supervises the observance of the law and of the statute, the respect of the principles of correct administration and in particular the adequacy of the organisational, administrative and accounting structure adopted by the company and its concrete functioning*".

The role of the BOA, according to law, is therefore that of control on administration.

In particular, the BOA must:

- ensure that the directors act in an informed manner and that, in particular, prior to each meeting of the board, all directors are provided with adequate information on the items on the agenda (see Article 2381, clause 1 of the Civil Code);
- assess, on the basis of the information received from the delegated bodies, the adequacy of the organisational, administrative and accounting structure of the Club;
- ascertain that the provisions of Article 2391 of the Civil Code are complied with, in the event that a director has an interest in a given transaction and, in particular, that the Board of

Directors adequately justifies the reasons for the Club of the transaction (hypothesis of conflict of interest);

- verify that the strategic, industrial and financial plans are drawn up, at least, in all situations where it seems appropriate (judgement of appropriateness);
- supervise the implementation of shareholders' meeting resolutions, at least, with regard to the absence of conflict between such resolutions and management acts;
- supervise the actual examination by the directors of the functioning of the Supervisory Body ex. Legislative Decree no. 231/2001
- supervise the proper functioning of the administrative-accounting system, in terms of the procedures and methods adopted (schemes adopted, filing and publication), or the completeness and clarity of the information provided in the notes to the accounts and in the report on operations, and that the individual processes of the business cycle are correctly reflected in the administrative-accounting system itself.

Statutory auditing is entrusted to an audit firm instead.

CHAPTER NO. 3 ADOPTION OF THE MODEL

1. Objectives and Field of Application

The purpose of this document is to provide A.C. Pisa 1909 with an "Organisational, Management and Control Model" in line with the provisions of Articles 6 and 7 of Legislative Decree no. 231 of 8 June 2001, therefore capable of preventing the commission of the predicate offences as well as of the sporting crimes as outlined above.

The Organisational Model is designed to be applied to all Club processes and sites, as well as to all personnel and/or collaborators who, in any case, come into contact with the A.C. Pisa 1909.

It is also the Club's intention to extend - within the limits laid down by the related Code of Ethics - these provisions to all its associated organisations.

The aim of adopting the Organisational Model is to reduce the risk of crimes being committed to the limit of the so-called "acceptable risk".

A.C. Pisa 1909 has, indeed, prepared this document in order to implement all possible and necessary controls so that the crime event does not occur except through a deceptive avoidance of the operational protocols in place to protect against the risk.

1.1. Commitment of the Management

The Board of Directors provides evidence of its commitment to the development and implementation of the Organisational Model and to the continuous improvement of its effectiveness:

- by communicating to the organisation the importance of meeting the requirements of this Model, including mandatory requirements;
- establishing and promoting the Code of Ethics;
- ensuring that reasonable objectives are set for each process, in relation to the organisation's capabilities;
- conducting management reviews;
- ensuring the availability of resources.

2. The function of the Organisational Model.

The Organisational Model has the function of:

- identifying the areas in which crimes may be committed and their consequence;
- providing for specific protocols aimed at planning the formation and implementation of the Institution's decisions in relation to the crimes to be prevented. A.C. Pisa 1909 wishes to confer on the Organisational Model the envisaged suitability - understood as preventive capacity - to prevent *ex se* the occurrence of alleged crimes, contemplating the occurrence of this only as a consequence of a deceptive circumvention (in terms of fraudulent avoidance) of the Model by the author of the incriminating conduct.

3. Implementation of the Model.

The Organisational Model was created through the following operational steps:

- analysis of the Club's documents (articles of association, existing powers of attorney and proxies, etc.);
- analysis of the risk of committing crimes, with identification of the areas at risk;
- analysis and identification of procedures aimed at preventing crimes from being committed;
- preparation of the Code of Ethics;
- regulation of the Supervisory Body.

4. Structure of the Model.

The Organisational Model adopted by A.C. Pisa 1909 is made of one first part – called "General Part" – which introduces the principles of the so-called "administrative responsibility of the organisations" referred to in LD no. 231/2001 and indicates, in the attached Code of Ethics, the set of values and principles of the Club itself, as well as the identification of the disciplinary system to safeguard the effective operation and effectiveness of the Model itself.

The second part – called "Special Part" – provides for the identification, by means of autonomous "Annexes" identified by Roman numerals, of groups of crimes, through which the sectors of the Club at risk of crimes being committed, are highlighted, with an indication of the precautionary and preventive measures adopted by the Club.

The Organisational Model adopted by A.C. Pisa 1909 is based on four fundamental elements:

1. procedures: they involve the provision of specific protocols aimed at planning the formation

and implementation of the Club's decisions in relation to the crimes to be prevented, after identifying the activities in the context of which crimes may be committed;

2. the Code of Ethics: it expresses the total of duties and responsibilities incumbent on all of the Club's collaborators;
3. the disciplinary system: it sanctions violations of both the code of ethics and procedures;
4. the Supervisory Body (SB): it represents the body controlling the effective implementation of the Organisational Model adopted by the club.

Should A.C. Pisa 1909 outsource any processes that affect compliance with the requirements of this organisational model, it will ensure that these processes are kept under control.

An "out-sourced process" is a necessary process for the organisation for its own Organisational Model and which the Institution decides to have carried out by an external party.

Ensuring that out-sourced processes are kept under control does not relieve the Club of the responsibility for compliance with all requirements.

5. Human Resources.

For an optimal application of the Organisational Model, A.C. Pisa 1909 requires that the personnel carrying out activities that may affect the compliance with the requirements of the Model itself, are competent on the basis of appropriate education, training, skills and experience.

It, therefore:

- provides training or other actions to acquire the necessary competence;
- assesses the effectiveness of the actions taken;
- ensures that its personnel are aware of the relevance and importance of their activities and how they contribute to achieving the objectives of the Organisational Model adopted.

In the broader context, the human resources of the football club have relationships regulated by different collective agreements:

- for the athletic trainers the agreement among FIGC, la LNPB and AIPAC is applicable;
- for the footballers the FIGC – LNPB – AIC agreement;
- for the coaches the FIGC – LNPB – AIAC agreement;
- for Club directors and secretaries the FIGC – LNPB – ADISE agreement;
- for other support staff the CCNL for sports facilities and gyms;

- for independent professional relationships, the content of the individual contractual relationships.

The very reference to collective bargaining becomes relevant for the purposes of identifying procedures and applying disciplinary.

6. Infrastructures.

A.C. Pisa 1909 determines, provides and maintains the infrastructures necessary to achieve constant compliance with the requirements of the Organisational Model.

By "infrastructures" it is meant, if and insofar as they are applicable or covered by this regulatory structure:

- buildings, workspaces and relevant services;
- processing equipment (both hardware and software).

In particular, football activities are carried out at the Municipal Stadium “Arena Garibaldi – Romeno Anconetani”, belonging to the Municipality of Pisa, with a continuous management relationship in favour of A.C. Pisa 1909.

The Stadium, due to new requirements (capacity, security, technological systems, etc.), underwent a major upgrade during the 2016/2017 season because of its participation in the *Serie B* Championship.

7. Work Environment.

A.C. Pisa 1909 manages the working environment as to achieve compliance with the requirements of the Organisational Model.

Please refer to the work safety documentation and process specifications for further details.

8. Financial Resources.

A.C. Pisa 1909 established the procedures for the management of financial resources suitable for preventing the commission of crimes, by preparing a control and management system that is articulated through the provision of proxies, powers, responsibilities and tasks.

In general, the Club adopts procedures for the management of financial resources that are based on the following principles:

- traceability of financial flows, to be understood as the possibility of reconstructing *ex post* exactly the decision-making and formal path of the flow from the point of departure (who paid) to the point of arrival (who was paid, with what means of payment, how and where it was taken);
- allocation of payment, that is the exact identification of the title justifying the payment flow;
- record of:
    - method of payment (that is cash, wire transfer, etc…);
    - content of payment (identification of subject who organized the flow, from which availabilities it drew, beneficiary of the flow, reason for it);
- - definition of persons obliged to file the documentation of flows.

Payments or financial flows in general are not allowed outside the behavioural protocols established by the Club. For further details, please refer to the Special Part of this document.

9. Management of suppliers.

A.C. Pisa 1909 requires all the suppliers of goods and services the respect of the values expressed in the Code of Ethics, which is integral part of this document.

The Club invites its suppliers to sign a commitment and carries out preventive checks to prevent suppliers from violating the principles set out in this document.

10. Update of the Organisational Model: amendments and additions.

The Organisational Model is conceived as a "dynamic" document.

If, in the course of the Club management, the procedures prove to be insufficient or inadequate to prevent and avoid the commission of crimes, they will be amended without fail.

The same update is made in the event of changes in legislation on individual crime provisions or in the corporate structure itself.

The Model must be amended in any case and always when significant violations or circumventions of the provisions are identified, which highlight its inadequacy in ensuring the effective prevention of risks.

Amendments, additions and variations to this Model are adopted by the management body (Board of Directors), on the direct instigation or on the proposal of the Supervisory Body.

The latter, however, is obliged to express its opinion on any updating activity.

The heads of the corporate functions - each within the scope of their competences - are required to periodically check the effectiveness and efficiency of the procedures aimed at preventing the commission of crimes.

If they identify the need for changes and/or updates, a documented report must be prepared and submitted both to the management body and to the Supervisory Body, which will have to propose the necessary changes.

CHAPTER NO. 4 CONSTITUTIVE ELEMENTS OF THE MODEL, IN PARTICULAR THE CODE OF ETHICS

In compliance with the provisions of Legislative Decree no. 231/2001, A.C. Pisa 1909 adopts an Organisational Model composed of parts that are considered constitutive and essential, in order to achieve the objectives set out in Art. 6, clause 2, of the aforementioned legislative decree.

Firstly, protocols (procedures) are provided for in order to prevent the commission of crimes.

In particular, in identifying these protocols, the indications provided for this purpose by the "*Confindustria* Guidelines" were accepted and followed.

On the basis of the latter, it is possible to identify that:

- the contextual presence of a Code of Ethics is necessary;
- the procedures must unequivocally indicate the responsibilities (delegations);
- the Supervisory Body must be set up and then made operational as a control body;
- communication to and training of staff must be provided for, in order to avoid the organisational model remaining merely a paper document;
- a disciplinary system must be introduced to ensure the effectiveness of the organisational model;
- the sectors where risks of committing crimes may occur must be identified (the so-called "crime-risk areas").

1. The Code of Ethics of A.C. Pisa 1909.

A.C. Pisa 1909 has prepared and documented its own "Code of Ethics" and keeps it updated and disseminates it, that is the document through which the rights, duties and responsibilities of the Club in internal and external relations and in relation to the values and objectives pursued in those terms by the Organisational Model, are formalised.

The Code of Ethics - which is an integral part of this document - helps to ensure an effective prevention and counteraction of violations of laws and regulations applicable to the activities.

This document is binding for all the collaborators of A.C. Pisa 1909, whether employees or collaborators, even sponsors or suppliers, who are obliged to know its contents and to observe its prescriptions.

In order to ensure a timely dissemination of the contents of the Code of Ethics, A.C. Pisa 1909 will distribute it to all employees and collaborators, as well as to all members of the management bodies, and will also send it to its main sponsors and suppliers, nevertheless placing it in the official website.

In addition, special clauses are drafted and included in contracts with third parties (in particular with suppliers of goods and services), whereby the latter undertake to respect and adopt conduct in line with the principles set out in the aforementioned code.

2. The Club Organisational System.

A.C. Pisa 1909 has a hierarchical-functional organisation that allows the clear definition of tasks and responsibilities.

The Club has, as a matter of fact, an organisational chart that is updated in case of organisational changes.

The organisational chart clearly identifies the areas of activity relating to the individual functions, the names of the managers of each area and the relevant hierarchical reporting lines.

As a matter of fact, the guiding criterion for the definition of the organisation provides that the same process/activity is guaranteed to be collaborated on by different functions and/or hierarchical levels, so as to ensure the constant possibility of cross-checking the relevant operations.

The Club has also set up a computer system to ensure the traceability of operations and documents processed by its employees, thus also guaranteeing the possibility of *ex post* verification and feedback.

3. Corporate policies and procedures.

A.C. Pisa 1909 - in order to guarantee all recipients a clear frame of reference of the procedures to be followed in carrying out the Club's activities and the constraints to be followed - has prepared internal procedures, which are an essential part of this Organisational Model, aimed at ensuring its effectiveness.

These procedures are set out in a document linked to the Model and called the "Manual of Procedures", which is not disclosed externally both to protect the confidentiality of the persons indicated (persons entrusted with specific responsibilities) and because prior knowledge of the document could increase the risk of conduct liable to violate it.

This Organisational Model consists, in addition to the General Part, of a Special Part made up of ten different Annexes.

The latter, after indicating the areas at risk (and the extent of the risk itself, which may be low, medium or high) gather all the principles, obligations and prohibitions that must be complied with by employees, collaborators and third parties who enter into relations with the Club.

In particular, the Annexes are as follows:

- Annex I: Crimes against Public Administration;
- Annex II: Cybercrimes;
- Annex III: Corporate crimes;
- Annex IV: Crimes against the Individual;
- Annex V: Crimes of manslaughter and culpable injuries committed in violation of the rules on protection and safety at work;
- Annex VI: Crimes of money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering and organised crime;
- Annex VII: Environmental crimes;
- Annex VIII: Counterfeiting of instruments of payment and crimes against industry and trade;
- Annex IX: Crimes related to violation of copyright;
- Annex X: Crimes related to sport.

4. The System of Delegation and the Exercise of Delegated Powers.

In the organisational and management framework, the person who holds the statutory powers of representation of A.C. Pisa 1909 (President, Managing Director, etc.), can confer - for the sole purpose of ensuring the effective performance of its operational activities - to some subjects, specific authorisation powers (the so-called "delegations" conferring the power to authorise internally expenditure initiatives). This is done in compliance with the provisions of the Articles of Association and of the Civil Code.

The procedures and prohibitions set out in this Organisational Model are an integration and specification of the pre-existing delegations (if any) and are adopted in order to pursue the aims set out in the Code of Ethics.

CHAPTER NO. 5 THE SUPERVISORY BODY

1. Introduction.

In the event of a crime being committed under Legislative Decree no. 231/2001, the legislation in question sets as a condition for the application of the exemption the fact that a body within the Club, endowed with autonomous powers of initiative and control, has been entrusted with the task of supervising the operation of and compliance with the Model, as well as ensuring that it is updated.

As specified above, the Organisational Model adopted by the Club is based on three elements: procedures and values formalised in a Code of Ethics, a system of sanctions and a Supervisory Body.

2. Identification of the Supervisory Body - Appointment and Dismissal.

Considering the current management structure of the Club, the Board of Directors of A.C. Pisa 1909, together with the adoption of the Organisational Model and in implementation of the provisions of the Legislative Decree no. 231/2001, appoints a Supervisory Body (hereinafter "SB"), with the specific responsibility of verifying the functioning and compliance with the Model, as well as taking care of its updating.

The preferred organisational option is to assign the tasks and responsibilities of the Supervisory Body to a monocratic body.

The appointment usually lasts three years and is renewable.

In any case, the member of the SB remains in office until the appointment of his successor or the establishment of the new Body.

The revocation for just cause of this appointment, which is the responsibility of the Club's management body (Board of Directors), is allowed in the following cases.

a) disqualification or incapacitation, or a serious infirmity which makes the member of the Supervisory Body unfit to perform his/her duties;

b) the assignment to the member of the Supervisory Body of operational functions and responsibilities incompatible with the requirements of autonomy of initiative and control, independence and continuity of action, which are proper to the Supervisory Body;

c) a serious breach of the duties proper to the Supervisory Body, as defined in the Model;

d) failure to comply with the obligation of confidentiality;

e) failure to meet the requirements of integrity.

The member of the SB cannot be bound to the Club by a relationship of subordination and may terminate his contract with it:

- giving a six months' notice by registered letter;
- if there are serious reasons and they are to be understood as such (by way of example but not limited to): failure by the sports club to pay the agreed remuneration within the prescribed time limits; obstructing the activity of the Body (e.g. failing to provide suitable premises, requested means, or failing to deliver the requested documentation, or unreasonably delaying access to corporate documentation, etc.).

3. Requirements of the Member of the Supervisory Body.

According to Art. 6 of Legislative Decree no. 231/2001 - on the guidelines determined by the references of the "*Confindustria* Guidelines", as well as the specific indications for the SB adopted by "*Istituto di Ricerca dei Dottori Commercialisti e Revisori*" (Research Institute of Chartered Accountants and Auditors") – the following are identified as requirements for the appointment of a SB member:

- **autonomy:** the body must have "autonomous powers of initiative and control" that is freedom of action and self-determination. To this end SB: must be included as a staff unit within the corporate structure; it must be exempt from operational duties compromising its objectivity; it must be able to perform its function in the absence of any form of interference and conditioning by the Institution;
- **independence and honourableness:** in the sense of the non-existence of a conflict of interest and the existence of independence from the management of the Club;
- **professionalism:** the members must have skills or professional experience such as to ensure the effective performance of the required activity**;**
- **continuity of action:** the Body must be able to constantly ensure the supervision of the Model and take care of its implementation and updating by making use of the necessary inspection powers**.**

4. Functions and Responsibilities of the Supervisory Body.

The Supervisory Body of A.C. Pisa 1909 is endowed with all the powers necessary to ensure a punctual and efficient supervision of the functioning and observance of the Organisational Model

adopted by the Club, in accordance with the provisions of Art. 6 of Legislative Decree no. 231/2001.

In particular, it is responsible for carrying out the following tasks:

- **supervision of the effectiveness of the Model**: that is ensuring that the conduct adopted within the Club corresponds to the Organisational Model prepared;
- **check on the effectiveness of the Model:** that is verifying that the Model prepared is really suitable to prevent crimes;
- **update of the Model:** in the event the verification referred to in the preceding point is negative, or if critical issues emerge, or even if there are environmental changes or changes in the corporate structure, the Supervisory Body is responsible for updating the Organisational Model.

On a more operational level, the Supervisory Body of A.C. Pisa 1909 is entrusted with the tasks identified below.

1. Update.

The SB is obliged to:

- propose to the competent corporate bodies or functions the issue of procedural provisions for implementing the principles and rules contained in the Model;
- keep up-to-date on the regulatory changes involving LD no. 231/01 and verify the adequacy of the Model to such regulatory requirements, reporting and proposing possible interventions to the Board of Directors;
- assess the need to update the Model, reporting and proposing possible measures to the Board of Directors

2. Checks and controls.

In the face of organisational changes of A.C. Pisa 1909, which must be notified in writing to the SB by the Administration, Finance & Control Manager of the Club, the SB is obliged to check if the areas at risk of crime are changed.

Where this is the case, the Supervisory Body shall proceed to formulate a proposal for adapting the Model.

The Supervisory Body must therefore periodically carry out checks, also using external professionals, to ascertain the correct application of the Model and must, in particular, ensure that

the procedures and controls provided for are implemented and documented in a compliant manner and that the ethical principles are respected.

Moreover, the Body receives periodic reports, at least annually (unless otherwise provided for in a procedure), from the persons in charge of the procedures, who assume responsibility for the truthfulness of what they have certified.

Documentation of all the activities carried out by the Supervisory Body is drawn up and must be kept by the Body itself.

3. Training.

The Organisational Model cannot be effective if it is not accompanied by a diversified training programme for the Club's top management and subordinates.

The Supervisory Body must therefore monitor the training initiatives organised by the Club and, where necessary, participate in them.

Written evidence of the training is kept in a register of the participants.

4. Violations and Sanctions.

The Supervisory Body is not empowered to impose disciplinary sanctions, but it has the task of detecting and communicating to the Administration, Finance & Control Manager the violations of the Organisational Model it has detected.

As a result of the report by the SB, the employer is obliged to impose the disciplinary sanctions provided for, keeping the Body constantly updated.

5. Reporting.

The Supervisory Body draws up an annual report which is sent to the management body (Board of Directors) and to the Board of Auditors in which:

- the year activity is indicated;
- the critical issued detected are listed;
- any pending legal proceedings for crimes under Legislative Decree no. 231/01 are listed;
- possible amendments to be adopted in view of possible critical issues and/or legislative changes are envisaged.

Anytime a necessary and urgent communication is necessary, the SB sends a communication to the BOD with the possible requests.

6. Powers of the Supervisory Body.

The SB, in order to carry out the functions entrusted to it, will be able to:

- urge the heads of individual organisational units to comply with the Model;
- directly indicate which corrections and changes should be made to the ordinary practices;
- report the most serious cases of non-implementation of the Model to the managers and control officers within the individual functions.

The Supervisory Body must also have free access to all the Club's documentation, as well as the possibility of acquiring relevant data and information from the persons in charge.

All information relevant to the effective implementation of the Model must be reported to the SB.

In order to allow the SB to operate effectively in autonomy and with the appropriate tools for the effective performance of the task assigned to it by this Model, the SB:

- may grant paid assignments to external and independent technicians, committing the necessary expenditure to be borne by the Club, and this without having to submit several estimates to the Administration;
- is free to avail itself - under its direct supervision and responsibility - of the assistance of all the structures of the Club.

CHAPTER NO. 6 SELECTION, TRAINING, INFORMATION AND SUPERVISION

1. Selection of Personnel.

A.C. Pisa 1909 is aware that the selection of personnel is an area at risk of numerous crimes being perpetrated.

Recruitment – or even just the promise of a job, for oneself or for a relative – can lead to bribery, and not only.

Therefore, the Club has put in place a specific procedure aimed at preventing abuses by those in charge of selecting personnel.

Particularly, the choice of personnel is meant to be linked to criteria as objective as possible, bearing however in mind also the vacant post to be filled and the further need for greater or lesser previous professionalism and experience.

2. Training of Personnel.

Training of personnel for the purposes of implementing the Model is managed by the Administration, Finance & Control Manager in close cooperation with the Supervisory Body and is organized according to the levels below:

- managerial and representative personnel of the Club and Internal Managers: initial seminar in which the SB will also participate; annual update seminar; occasional update e-mails; information in the letter of selection for new employees; training as part of the entry course in the Club;
- other personnel: information note from A.C. Pisa 1909; information in the selection letter for new recruits; update e-mail; training as part of the entry course in the Club.

3. Selection of External Co-workers.

In selecting external co-workers, the principles of impartiality, evaluation of professionalism, and in any case the avoidance of conflicts of interest or any conduct that could be considered - even if only abstractly - corruptive, are followed.

To that end the Club has implemented specific procedures for the selection of collaborators and for

the conferral of judicial and extrajudicial assistance and representation tasks.

4. Notice to External Collaborators

The Club shall promptly and fully inform external collaborators of the existence of this Organisational Model, expressly requesting compliance with the values expressed in the Code of Ethics. Where the external collaborator operates in one of the risk areas for which prohibitions, obligations or procedures have been laid down, he/she shall be informed thereof and expressly undertake to comply with them.

5. Supervisory Obligations.

All those within A.C. Pisa 1909 who have a role of management or responsibility are required to ensure compliance with the Organisational Model and the Code of Ethics by those who are hierarchically subordinate, according to the Club organisational chart.

In case of breach of the rules and provisions of the Model and of the Code, the managers are obliged to report to the SB.

CHAPTER NO. 7 INFORMATION FLOWS TO THE SUPERVISORY BODY

The obligation of a structured information flow is one of the tools necessary to ensure that the Supervisory Body can efficiently monitor the adequacy, effectiveness and compliance of the Model and for the possible *ex post* verification of the causes that made committing the crimes provided for in the Decree possible.

The Supervisory Body shall be informed - in addition to the provisions of the Special Parts of the Model and of the corporate procedures – of all useful information, including information coming from third parties, concerning the top managers and subordinates of the Club or third parties are required to report to the Supervisory Body any information relating to:

- the commission of crimes or the performance of acts suitable for the commission of such offences;
- the commission of administrative crimes; conduct that is not in line with the rules of conduct laid down in this Model and the protocols relating thereto;
- any changes in the organisational structure and procedures in force;
- any changes in the system of delegated and proxy powers;
- operations of particular importance or which present risk profiles such as to indicate a reasonable risk of offences being committed;
- measures and/or news from the judicial police, or any other authority, which indicate that investigations are being carried out, even against unknown persons, for the crimes referred to in the Decree;
- requests for legal assistance made by managers and/or employees in the event of legal proceedings being initiated for the offences set out in the Decree;
- reports prepared by the heads of the corporate structures as part of their control activities and from which facts, actions, events or omissions may emerge that are critical with regard to compliance with the provisions of the Decree;
- information relating to the actual implementation of the Model at all levels of the company, with evidence of the disciplinary proceedings carried out and any sanctions imposed or the measures for dismissal of such proceedings with the relevant reasons;
- initiation of inspections by public bodies (judiciary, Finance Police, other authorities, etc.) in the context of activities at risk.

7.1 Modalities of Reports.

A mailbox headed to the SB was created (to the address: odv@acpisa.com) and all employees, co-workers and third-part recipients of the Organisational Model can make direct reports and communications to.

Access to that mailbox is reserved exclusively to the SB member.

Reports can also be sent to the address: **Organismo di Vigilanza di A.C. Pisa 1909 s.s.r.l., Via Cesare Battisti 53, 56125 Pisa**.

The Supervisory Body acts in such a way as to guarantee reporters from any form of retaliation, discrimination or penalisation, also ensuring the confidentiality of their identity.

On this point, the Club has implemented the indications of the legislator contained in Legislative Decree Law No. 179 of 30 November 2017 on *"Provisions for the protection of the authors of reports of crimes or irregularities they became aware of in the context of a public or private employment relationship"*.

The news in question amended Article 6 of Legislative Decree no. 231/2001, which is now reworded., for the parts of interest here, as follows:

"2-bis. The models referred to in letter a) of clause1 shall provide for:

a) one or more channels enabling the persons indicated in Article 5, clause 1, letters a) and b), to submit, to protect the integrity of the Organisation, detailed reports of unlawful conducts, relevant under this Decree and based on precise and concordant facts, or of violations of the Organisational Model, or of violations of the Organisation and Management Model of the company, of which they have become aware by virtue of their functions; such channels shall ensure the confidentiality of the identity of the reporting person in the management activities of the report;

b) at least one alternative reporting channel capable of guaranteeing, by computerised means, the confidentiality of the identity of the reporting person;

c) the prohibition of direct or indirect retaliatory or discriminatory acts against the reporting person for reasons directly or indirectly linked to the report;

d) in the adopted disciplinary system pursuant to clause 2, letter e) sanctions against those who violate the measures for the protection of the reporting person, as well as against those who make – with wilful misconduct or gross negligence – reports that turn out to be unfounded.

The Supervisory Body assesses and verifies the reports received and, to this end, carries out, if necessary, investigative activities, and any other activity allowed by its prerogatives.

The Supervisory Body, if it deems it necessary and appropriate, may hear the author of the report

and/or the person responsible for the alleged violation and keep a special register of the reports received and the reasons for not proceeding with a specific investigation.

In the event of violation of the Model, the Supervisory Body activates the person or company department responsible for disciplinary proceedings (see Chapter 8 below) and informs the Club's Administration, Finance & Control Manager of the outcome of the investigation.

The SB must be involved whenever it becomes apparent in the course of the Club's activities that the procedures it has adopted are inadequate for the purposes pursued.

In the latter case, once the report has been received, the SB must carry out a hearing of the reporting person.

The SB is not obliged to take into consideration anonymous reports which - at a first glance - prove to be groundless; in any case, a report must be drawn up indicating the apparent reasons for the manifest groundlessness of the communication.

In the event of violations of the measures for the protection of the reporter or of reports made with wilful misconduct or gross negligence, the sanctions provided for in the Disciplinary System adopted by the Club shall be applied, as provided for by Legislative Decree no. 179/2017 mentioned above (see Chapter 8 below).

CHAPTER NO. 8 DISCIPLINARY SYSTEM

1. General principles.

To ensure the effectiveness of the Organisational Model, a specific disciplinary system is adopted which aims at sanctioning those who violate the prohibitions, obligations or procedures laid down in the Model itself and in the Code of Ethics.

The initiation of disciplinary proceedings is independent of criminal proceedings and their outcome.

As a matter of fact, the Club is required to comply with the principle of the immediacy of the notification and the application of the disciplinary sanction.

It may, however, proceed with the immediate notification of the alleged crime, ordering the suspension of the employment relationship, reserving the right to apply the sanction at the outcome of the criminal proceedings.

2. Measures Against Employees.

The Organisational Model and the Code of Ethics of A.C. Pisa 1909 are to be considered a manifestation of the employer's management power and, as such, the violation of its provisions by employees constitutes a disciplinary crime.

The disciplinary code is made public by means of an internal circular and poster or communication however accessible to each and every employee.

Disciplinary sanctions are imposed in accordance with the procedure laid down in Article 7 of the Workers' Statute (Law no. 300/70).

In particular, in accordance with the provisions of the *CCNL Impianti Sportivi e Palestre* (24.03.2009) (National Collective Labour Agreement for sports facilities and gyms), the possible sanctions are:

- a verbal reproach for minor infringements;
- a written reproach in the event of a repeat crime as per point 1 above;
- fine not exceeding the amount of 4 hours' normal remuneration pursuant to Art.116, part three;
- suspension from pay and service for a maximum of 10 days;
- disciplinary dismissal without notice and with the other consequences of reason and law.

An employee who violates the internal procedures set out in the Organisational Model shall incur an oral and/or written reproach; the reproach is a sanction applicable to the employee who is not responsible for the procedure. It is also applicable in case of violation of prohibitions, provided that such violation is not serious.

A written reproach shall be imposed on any employee who has committed a repeat crime regarding what described above.

A fine shall be imposed on the employee who:

a) if not in charge of the internal procedure has repeatedly infringed the internal procedures (hypothesis of negligence);

b) if in charge of the internal procedure, has violated the procedure he is responsible for. A fine shall also be imposed on anyone who has violated the prohibitions whose violation constitutes a serious crime.

Anyone who, by violating the internal procedures or violating the prohibitions laid down in the Code of Ethics and the Model has caused damage (financial and/or image) to A.C. Pisa 1909, incurs the sanction of suspension from pay and service.

The sanction of disciplinary dismissal is applied to anyone who adopts, in the performance of activities in areas at risk, a behaviour clearly in violation of the provisions of this Organisational Model and such as to determine the concrete application against the Club of the measures provided for by Legislative Decree no. 231/2001.

Such behaviour must be considered as the performance of acts such as to radically undermine the Club's trust in him/her, or as the occurrence of the crimes referred to in the preceding points resulting in serious harm to the Club itself.

The type and extent of each of the above-mentioned sanctions shall be applied in relation to:

- the intentionality of the conduct or degree of negligence, imprudence or inexperience with regard also to the foreseeability of the event;
- the overall conduct of the worker with particular regard to the existence or otherwise of previous disciplinary proceedings against him/her, within the limits allowed by law;
- the worker's duties;
- the functional position of the persons involved in the facts constituting the absence;
- other particular circumstances accompanying the disciplinary breach.

3. Measures against Managers, Coaches, Athletic Trainers and Footballers.

1. Measures for Managers, Athletic Trainers and Coaches.

For managers, the regulations of the Collective Agreement FIGC - LNPB - ADISE and, in particular, Art. 7, are applicable.

For coaches, the regulations of the Collective Agreement FIGC - LNPB - AIAC and, in particular, Art. 22 are applicable.

For athletic trainers, the regulations of the Collective Agreement FIGC - LNPB - AIPAC and, in particular, Art. 17 are applicable. The said articles provide that the following sanctions may be applied:

- written warning;
- fine;
- reduction of remuneration;
- termination of contract.

To determine the sanction, the same assumptions and criteria indicated in paragraph 8.2 above are applied, specifying that the cases envisaged there for "suspension of remuneration and of the relationship" are referred to herein for "reduction of remuneration" and the cases envisaged for "dismissal" are referred to for "termination of contract".

2. Measures for Footballers.

For footballers, the regulations of the FIGC - LNPB - AIC Collective Agreement are applicable and in particular Art. 11, which provides that the following sanctions may be applied:

- written warning;
- fine;
- reduction of remuneration;
- temporary exclusion from training and pre-season preparation with the first team;
- termination of contract.

To determine the sanction, the same assumptions and criteria indicated in paragraph 8.2 above are applied, specifying that the cases envisaged there for the “suspension of remuneration and of the relationship” are referred to here for the “reduction of remuneration” and the cases envisaged for “dismissal” are referred to for the “termination of the contract”.

Obviously there is a particular case of sanction for football players, namely the temporary exclusion of the football player from training or pre-season preparation with the first team which is applied when *"the conduct and situations outlined are such as not to allow, without objective immediate harm to the club, the participation of the player in the preparation and/or training with the first team, the club, after having notified the player in writing of the charges, may provisionally and directly exclude the player from the said athletic preparation and/or from the said training sessions, provided that at the same time it forwards to the player and to the Board of Arbitration, under the accelerated procedure, the relevant proposal for the imposition of the sanction (without prejudice to any other contextual request, such as those of reduction of remuneration or termination)".*

4. Measures against Directors and Auditors.

In the event of violation of the Model by the Chairman and members of the Board of Directors and/or Statutory Auditors of A.C. Pisa 1909, the Supervisory Body will inform the Assembly, which will take the appropriate initiatives provided for by the regulations in force.

In the event of a conviction, even at first instance, for the crimes referred to in Legislative Decree no. 231/2001 and subsequent amendments, the convicted person shall immediately inform the SB, which shall inform the Sole Director/Board of Directors.

5. Measures against External Collaborators.

Any conduct by external collaborators that conflicts with the lines of conduct (procedures, obligations and prohibitions) indicated in this Organisational Model and which entails the risk of a crime being committed under Legislative Decree no. 231/2001 may result - in accordance with the specific contractual clauses included in the letters of appointment or in the partnership agreements - in the termination of the contractual relationship, without prejudice to any claim for compensation if such conduct causes substantial damage to the Club, as in the case of application by the judge of the measures, precautionary measures included, provided for by Legislative Decree no. 231/2001.

A.C. Pisa 1909

Organisational, Management and Control Model ex LD no. 231/2001

SPECIAL PART

ANNEX I Crimes against the Public Administration

Predicate offences against the Public Administration are indicated by two separate articles of Legislative Decree no. 231/01 and will be analysed separately because, with regard to A.C. Pisa 1909, with respect to the crimes provided for by Art. 24 of Legislative Decree no. 231/2001 a non-existent risk has been highlighted, while for predicate offences provided for by Art. 25 a medium-high risk has been found.

A) Art. 24 LD no. 231/2001 – Misappropriation of funds, fraud to the detriment of the State or a public body or for obtaining public funds and computer fraud to the detriment of the State or a public body.

Predicate offences provided for by the Criminal Code:

- Art. 316-bis – Embezzlement to the detriment of the State;
- Art. 316-ter – Undue receipt of payments to the detriment of the State;
- Art. 640 – Aggravated fraud to the detriment of the State;
- Art. 640-bis – Fraud to obtain public funds
- Art. 640-ter – Computer fraud.

The crime of aggravated fraud to the detriment of the State can be committed in any business context involving relations or contacts with the Public Administration in order to obtain public funds.

Fraud is characterised by the immutation of the truth with regard to situations whose existence, in the terms falsely represented, is essential for the act of disposition of assets by the P.A in favour of the Company.

Computer fraud, on the other hand, is relevant for the purposes of the Organisation's liability only if carried out to the detriment of the P.A.

The crime of computer fraud essentially has the same structure and the same constituent elements as the crime of fraud, from which it differs in that the unlawful activity does not involve a person but a computer system.

In the crime of computer fraud, therefore, unlike in the crime of fraud, it is not the use of devices or deception by the offender that is relevant, but the objective element of altering the computer system (and/or the data available therein).

The crimes relating to public funding (Articles 316-bis, 316-ter and 640-bis of the Criminal Code) aim at protecting the disbursement of public funding, however denominated, under two different temporal profiles: at the time of disbursement and at the subsequent time of use of the funding.

The punished conduct, with reference to the first of the two moments, is modelled on the scheme of fraud in which the immutation of the truth with regard to essential aspects for the purposes of disbursement takes on decisive importance.

In the case of embezzlement, on the other hand, the failure to allocate the financing received for the purposes of public interest that justified its disbursement is relevant.

With regard to these crimes, there is no risk for A.C. Pisa 1909, since the afore-mentioned club does not receive public funding upon presentation of applications, but the public funds are a consequence of the registration to the championship or a consequence of the characteristics of the competitive performances (e.g. contributions attributed to the so-called "minutes" for U21 players), which are not measured and reported by A.C. Pisa 1909, but by independent bodies, so that it is difficult to assume the conduct of artifice or deception.

In any case, should the Club in the future apply for public funds, it should keep to the following guidelines:

- checks on the completeness and correctness of the documentation to be submitted (with regard to both the project documentation and the documentation attesting to the technical, economic and professional requirements of the company submitting the project);
- double signature to certify the completeness and truthfulness of the documentation to be submitted (regarding both the project documentation and the documentation certifying the technical, economic and professional requirements of the company submitting the project);
- functional separation between those who manage implementation activities and those who submit progress documentation;
- monitoring of the progress of the implementation project (after obtaining the public contribution) and related reporting to the Public Administration, with evidence and management of any anomalies;
- checks on the actual use of the funds provided by public bodies, in relation to the declared objectives.

In the event of participation in calls for public funds allocation which provide for access to information systems managed by the PA, a system of internal controls must be regulated within the company which, for the purposes of correct and lawful access to the PA's information systems, provides:

- adequate verification of the passwords enabling access to the PA Information Systems held, for service reasons, by certain employees belonging to specific company functions/ structures;
- timely verification of compliance by such employees with further security measures adopted by the company;

- compliance with privacy legislation.

In the case that the above activities are entrusted to external service companies, the contractor shall be required to sign a commitment whereby the latter undertakes to comply with the above.

Where contributions, financing, loans or other disbursements are requested by the State or other public bodies or by the European Community, the company's top management must immediately inform the Supervisory Body in order to allow the latter to exercise its powers and prerogatives.

The only area at risk, limited to the commission of the crime provided for and punished by Article 316-ter of the C.C., is that of personnel selection and recruitment.

There is a large body of case law on the subject of undue receipt of funds to the detriment of the State with regard to employment relationships: think of cases of fictitious dismissal for the purpose of mobility and subsequent recruitment to benefit from "reliefs".

A.C. Pisa 1909, having noted the risk in this area, in the area of personnel selection and recruitment, introduces a specific prohibition of irregular employment, both with regard to those who have already worked for the Club in the past and to new collaborations.

All those who start a collaboration with the Club shall have previously formalised their employment or freelance collaboration relationship.

It is mandatory for all collaborators of A.C. Pisa 1909 to report to the SB - even anonymously - the presence of irregular work (so-called "under the table"), as failure to report constitutes a disciplinary crime.

B) Art. 25 LD no. 231/2001 – Misappropriation, extortion, undue inducement to give or promise benefits, bribery and abuse of office.

Predicate offences provided for by the Criminal Code:

- Art. 314 – misappropriation
- Art. 316 c.c. misappropriation through the mistake of others
- Art. 317 – extortion;
- Art. 318 – bribery for the exercise of the function;
- Art. 319 – bribery for an act contrary to office duties;
- Art. 319-ter – bribery in judicial acts;
- Art. 319-quater – undue inducement to give or promise benefits;
- Art. 320 – bribery of a Public Service Appointee;
- Art. 321 – punishment for the corruptor;

- Art. 322 – incitement to bribery;
- Art. 322-bis – Misappropriation, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of members of the International Criminal Court or organs of the European Communities and of officials of the European Communities and of foreign States;
- Art. 323 office abuse
- Art. 346 bis – Traffic of unlawful influence;
- Art. 356 c.c. fraud in public supplies.

The above-mentioned are types of crimes which fall within the scope of crimes against the Public Administration and, as such, presuppose the establishment of relations with public bodies and/or the exercise of a public function or a public service.

Specifically, these are specific crimes, the active party of is usually a public official.

The inclusion as a predicate offence in Decree no. 231 (Article 25) is justified because the law also punishes - under certain circumstances - the private individual who collaborates with the public official in the commission of the crime, as in the case of undue induction to give or promise benefits or active bribery, analysed below.

In order to assess the configurability of crimes against the PA, it is necessary to recall two definitions originating from the Code of Procedure:

- the Public Official (Art. 357 C.C.);
- the Public Service Appointee (Art. 358 C.C.).

More specifically, public officials are those who exercise a legislative, judicial or administrative public function, the latter being governed by public law and characterised by the exercise of deliberative, authorising or certifying acts.

On the other hand, Public Service Appointees are defined as those who, for whatever reason, provide a public service, meaning an activity governed by the same forms as a public function, but characterised by the lack of the powers typical of the latter.

The status of "Public Official" and "Public Service Appointee" is also held by members of the bodies of the European Community and by officials of the European Community, of foreign States and by those who, within other States, perform functions corresponding to those of Public Officials and Public Service Appointees.

The above distinction is relevant since Article 320 of the Criminal Code provides that the Public Service Appointee is also liable for the crimes referred to in Articles 318 and 319 of the C.C., although with a more lenient penalty treatment than public officials.

More generally, in the context of the crimes under consideration, Law No. 190 of 6 November 2012 (the so-called *"Anti-Bribery Law"*), entitled *"Provisions for the prevention and suppression of bribery and illegality in the public administration",* introduced a significant reform, characterised by the following elements:

- the redefinition of the crime of bribery (Article 317 of the C.C.), provided for only for the public official, when he forces someone to unduly give or promise money or other benefits;

- the introduction of the crime of "undue induction to give or promise benefits" (Article 319-quater of the C.C.), provided for the public official and the Public Service Appointee, when they induce someone to unduly give or promise money or other benefits;

- the amendment of the crime of “bribery for an official act” (Article 318 of the C.C.), which applies when a public official or a public service appointee unduly receives a benefit for the exercise of his functions or powers.

Law no. 69 of 27 May 2015 on *"Provisions on crimes against the public administration, mafia-type associations and false accounting"*, amended the rules set out in Articles 317 (reintroduction of the figure of the Public Service Appointee among the punishable persons) and following of the Criminal Code, substantially tightening the penalty regime associated with the individual crimes. and following articles of the Criminal Code, substantially tightening the sanctions associated with the individual incriminating cases.

Law no. 3/2019 has included the crime punished by Article 346 bis of the C.C., which is now no longer merely a subsidiary figure in relation to an accomplice in the crimes of direct bribery (Article 319 of the C.C.) and bribery in judicial proceedings (Article 319-ter of the C.C.), but also with respect to an accomplice in the crime of bribery for the exercise of a function (Article 318 of the C.C.) and EU and international bribery (Article 322-bis of the C.C.). The choice is consistent with the extension of the "cause" of giving or promising of money or other benefit. The rewording of this Article effectively absorbs extortionate credit. In its original wording, the typical conduct was carried out only through the exploitation of existing relations with the public official or a public service appointee, thereby clearly differentiating itself from the conduct referred to in Article 346 of the C.C., which is integrated by extorting credit from a public official or a public employee. With the reform of 2019, which repealed Article 346 of the C.C., the facts that until then were qualified as extortionate credit, can be subsumed under the new Article 346-bis of the C.C. As a matter of fact, the punishable conduct no longer consists in the exploitation of existing relationships only, but also in the boasting of "alleged" relationships with a public official, a public service appointee or, again, with one of the persons listed in Article 322-bis of the C.C. The facts which were subsumed under Article 346 of the C.C. up to the entry into force of the new provision do not, therefore, lose criminal relevance and can be punished as trafficking in unlawful influence, giving rise to a succession of criminal laws over time.

With regards to other crimes, the crime provided for in Article 318 of the C.C. occurs where a Public Official, in the exercise of his functions or powers, unduly receives, for himself or for a third party, money or other benefits or accepts a promise thereof.

This crime may be committed not only by a Public Official but also by a Public Service Appointee within the meaning of Article 320 of the C.C.

Compared with extorsion, bribery is characterised by the unlawful agreement reached between the qualified party and the private party acting on an equal footing.

The crime provided for and punished referred to in Article 319 of the C.C. occurs instead where a Public Official or a public service appointee receives, for himself or for a third party, money or other benefits, or accepts a promise thereof, in order to omit or delay or to have omitted or delayed an act of his office or to perform or have performed an act contrary to the duties of his office.

In this particular type of crime, the private corruptor secures by promise or undue payment an act of the Public Official or the Public Service Appointee which is contrary to the duties of his office.

In order to determine whether or not an act is contrary to official duties, it is necessary to have regard not only to the act itself in order to ascertain whether it is lawful or unlawful, but also to its conformity with all the duties of office or service that may come into consideration, with the result that an act may not in itself be unlawful and yet be contrary to official duties.

Acts contrary to the duties of a public official or a Public Service Appointee are acts that contravene legal provisions or service instructions, as well as acts which in any event violate the duties of loyalty, impartiality and honesty connected with the exercise of a public function.

The crime of extortion occurs when a Public Official or a Public Service Appointee, abusing his position or powers, compels someone to give or promise unduly, to himself or to others, money or other benefits.

The Public Official or the Public Service Appointee determine the state of subjugation of the will of the offended person through the abuse of his position (irrespective of his specific competences but exploiting his position of pre-eminence) or of his powers (conduct representing manifestations of his functional powers for purposes other than that with which he has been entrusted).

The passive parties of this crime (injured parties) are, at the same time, the Public Administration and the private individual who suffered the extortion.

The crime of bribery in judicial proceedings (Article 319-ter of the C.C.) occurs when a person offers or promises a Public Official or a Public Service Appointee money or other benefits in order to favour or damage a party in civil, criminal or administrative proceedings.

A company may therefore be held liable if, being a party to legal proceedings, it bribes, even through an intermediary (e.g. its own lawyer), a public official (not only a magistrate, but also a clerk or other official, or a witness) in order to obtain a positive outcome of the proceedings.

Article 319-ter is an autonomous crime in relation to the bribery crimes provided for in Articles 318 and 319 of the C.C. The purpose of the provision is to ensure that judicial activities are carried out impartially. It is not necessary, in order for the crime to be committed, for the acts in question to be

directly attributable to the exercise of a judicial function, since the scope of the crime covers not only activities which are properly judicial in nature, but also those which are more strictly an expression of the exercise of judicial activity and which can also be attributed to persons other than the judge or the public prosecutor[1].

Undue induction under Article 319-quater of the C.C. occurs in the case of inductive abuse by the Public Official or Public Service Appointee who - by means of persuasion, deception or moral pressure - conditions the recipient's will in a more tenuous manner than in the case of extortion.

The latter, despite having a wider decision-making margin (compared to the case of extortion), ends up accepting the request for undue performance, with a view to obtaining personal gain.

The crimes of extortion and undue induction differ from bribery crimes in that the first two crimes presuppose abusive prevaricating conduct by the Public Official capable of bringing about the psychological subjugation of the private individual, who is forced or induced to make an undue payment or promise, whereas the bribery agreement is concluded freely and knowingly by the parties. The parties are on an equal footing in the sense that the agreement is capable of producing mutual benefits for both parties.

Lastly, the crime of incitement to bribery applies to anyone who offers or promises undue money or other benefits to a Public Official or a Public Service Appointee, in order to induce him to perform an act contrary to or in accordance with his official duties, if the promise or offer is not accepted.

Similarly, it penalises the conduct of a public agent who urges a promise or offer from a private individual to induce him to perform an act contrary to his official duties.

The crime in question is therefore a crime of mere conduct.

The objective element of the crime is constituted by inciting conduct, whereby, on the one hand, the agent must put pressure on others to perform a certain action and, on the other hand, the person being urged must not accept the offer or promise made.

Lastly, with the Tax Decree, LD no. 75/2020, other predicate offences were introduced, in particular:

Article 314 (clause 1) of the C.C. (misappropriation) punishes a Public Official or a Public Service Appointee who appropriates money or other movable property belonging to another person in his possession or at his disposal by reason of his office.

Article 316 of the C.C. (Misappropriation of funds through the error of others) punishes the conduct of a Public Official or a Public Service Appointee who, in the performance of his duties or service, takes advantage of the error of others, unduly receives or retains for himself or for a third party, money or other benefits.

[1] This crime does not only arise in connection with the exercise of the judicial functions to which it is subordinate and with the status of the person exercising them, but certainly has a wider scope: any act serving a judicial proceeding constitutes a "judicial act", regardless of the subjective qualification of the person performing it. See, to that effect, Criminal Court of Cassation, United Sections, judgment no. 15.208 of 25/2/2010, with reference to testimony given in a criminal trial.

In order to configure the two administrative crimes from crime against the Institution, it is required that the fact is a crime against the financial interests of the European Union.

Article 323 of the C.C. (abuse of office) is a crime which may be deemed to have been committed in cases where a Public Official or a Public Service Appointee intentionally procures for himself or others an unfair financial advantage, or causes unfair damage to others, in breach of specific rules of conduct expressly laid down by law or by acts having the force of law and from which no margin of discretion remains. Also in this case, in order for the administrative crime to be committed by the Institution, it is required that the act offends the financial interests of the European Union.

Lastly, Article 356 (Fraud in public supplies) punishes anyone who commits fraud in the performance of supply contracts concluded with the State, a public body or a company providing public services or services of public necessity. A "supply contract" means any contractual instrument intended to provide the P.A. with goods or services.

1) Public Administrations A.C. Pisa 1909 has relations with.

A.C. Pisa 1909 has regular relations with the Municipality of Pisa, owner of the Stadium "Arena Garibaldi – Romeo Anconetani", with the Public Security Forces (Police, *Carabinieri*, Fire Fighters, etc.), as well as the Judicial Authorities, the Financial Administration and the and Social Security Institutions.

2) Extent of risk and areas at risk of crime.

The risk of committing crimes against the Public Administration by collaborators of A.C. Pisa 1909 is **medium – high**.

In particular the areas at risk are following:

- management of sports-related obligations, such as registration for the relevant championships;
- management of relations with federal bodies for inspections and interim audits (COVISOC, that is the auditing company appointed by the LNPB (to verify the payment of emoluments to registered members);
- management of relations of managers and cardholder members with referees;
- management of relations with the sports Judicial Authorities, with reference to all types of disputes, including recourse to the arbitration system
- management of relations with the financial and social security authorities;

- management of relations with the Public Safety authorities;
- management of relations with the Municipality of Pisa;
- management of relations with the Supervisory Authorities;
- settlement of invoices payable;
- management of free gifts and presents;
- selection of suppliers of goods and services - consultancy;
- selection of employees
- management of promotions, career advancement of employees;
- - selection of footballers;
- management of takings and payments and treasury management;
- management of reimbursement of expenses to employees and collaborators.

The provisions of this Special Part are addressed to all persons involved in the processes identified above so that they may adopt rules of conduct in compliance with what is prescribed in order to prevent the occurrence of the crimes considered herein.

All employees, collaborators and suppliers of goods and services must, therefore, conform their actions to the general principles of conduct, while some collaborators are the recipients of specific procedures that are an integral and constitutive part of this Organisational Model.

3) General principles of behaviour.

The following prohibitions are of a general nature and therefore apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided for by the Disciplinary System, which is a constituent part of the Organisational Model.

All the above-mentioned Club's collaborators are forbidden to engage in, contribute to or cause conduct which, taken individually or collectively, directly or indirectly constitutes one of the crimes listed in Articles 24 and 25 of Legislative Decree no. 231/2001.

Violations of the corporate procedures set out in this Special Part are also prohibited and sanctioned.

Therefore, the above-mentioned subjects are forbidden to:

- make monetary donations to Italian or foreign public officials;
- promise or pay sums or goods in kind to any person (whether a manager, official or employee of the Public Administration or a private individual) to promote or favour the

interests of the Club, also as a result of unlawful pressure. To this end, it should be noted that gifts and/or courtesies of commercial use, even if of modest value, to public employees and/or managers of the Public Administration are not envisaged or permitted;

- resort to different forms of aid or contributions which - in the guise of sponsorship, appointments, consultancy or advertising - have the same purposes as those prohibited above;
- grant advantages of any kind (promises of employment, appointments, etc.) in favour of representatives of the Italian or foreign Public Administration that may lead to the same consequences as those set out in point 2;
- select personnel or favour internal career advancement or the recognition of bonuses for the achievement of objectives for the benefit of certain employees, not inspired by strictly meritocratic criteria or on the basis of evaluation criteria that are not objective and predetermined
- select personnel linked to other club personnel, players or directors, by relations of kinship and/or affinity and/or marriage without the consent of the Chairman of the Club and appropriate communication to the Supervisory Body;
- assign supply contracts to persons or companies close to or liked by public bodies in the absence of the necessary requirements of quality, safety and convenience of the operation;
- create funds by purchasing goods/services contracted at prices higher than market prices or with invoices that do not exist in whole or in part;
- recognise fees in favour of consultants, agents or intermediaries that are not adequately justified in relation to the type of task to be carried out and to local practices.

B. 4) General principles of conduct.

To supplement and specify the principles of conduct above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular:

- **Procedure no. 1***: in relations with the Public Administration:* segregation of duties between those who prepare the documentation to be submitted to request concessions, licences and/or authorisations to the PA and those who have the power to represent A.C. Pisa 1909 before the P.A. (power of signature).
- **Procedure no. 2:** *For the settlement of invoices payable* there is a person responsible for expenditure (that is the person who in due course, made the request for the purchase of goods or services) who, before the amounts are settled, signs the invoices to certify that they correspond to services actually performed.

- **Procedure no. 3:** no *gifts or gratuities* are allowed towards representatives of the PA. Only a number of tickets or subscriptions may be granted on the occasion of the stipulation of contracts and agreements with public bodies.
- **Procedure no. 4:** by **choice of footballers, technical and sporting staff (transfer market)** and employment contracts, a procedure that requires the mandatory consent of a different member of the representative body (Chairman of the Board of Directors or other delegated person) has been implemented.
- **Procedure no. 5:** for the **recruitment of employees** of A.C. Pisa 1909, a procedure for the selection of candidates has been implemented, with specific filing of the documentation certifying the request for the Chairman's consent (accessible to the Supervisory Body).
- **Procedure no. 6**: for the selection of **consultants**, the decisive approval of the representative body is required.
- **Procedure no. 7:** in the choice of **suppliers**, there is a procedure for determining the selection criteria and defining a control system (approval). Minutes must be kept of the whole procedure (in particular of the awarding of the contract), access to which is guaranteed by the SB by means of a dedicated filing system; for small expenses, a simplified procedure is provided for, with a specific indication of the expenditure threshold and identification of the reporting obligation;
- **Procedure no. 8: traceability and archiving** of all transactions with the PA. A.C. Pisa 1909 will create a system of traceability and archiving dedicated to all transactions with the PA;
- **Procedure no. 9: appointments of external lawyers for judicial and extrajudicial disputes** fees must be proportionate to the professional tariff in force.

B.5) Checks by the Supervisory Body.

The Supervisory Body carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules set out in the model.

To this end, the SB is guaranteed autonomous powers of initiative and control, as well as free access to all relevant corporate documentation.

The SB may also intervene following reports received.

ANNEX II Cybercrimes

Law no. 48 of 18 March 2008 ratified and implemented the Budapest Convention of 23 November 2001, promoted by the Council of Europe on cybercrime and concerning, in particular, crimes committed by making use of a computer system in any way or to its detriment, or which in any way require the gathering of evidence in computer form.

Article 1 of the same Convention defines a computer system as "*any equipment or group of interconnected or related equipment, one or more of which, pursuant to a program, performs automatic processing of data*".

Article 24-bis provides for the liability of institutions in respect of three distinct categories:

a) crimes involving abusive access to or damage to a computer system (Article 24-bis, clause 1);

b) crimes arising from the possession or dissemination of codes or programmes or equipment likely to cause computer damage (Article 24-bis, clause 2);

c) crimes relating to forgery of a computer document and fraud by the person providing certification services by means of a digital signature (Article 24-bis, clause 3).

The first clause of Article 24-bis provides for the liability of Institutions in relation to seven distinct crimes which have as a common factor the intrusion into or damage to a computer system, that is which result in the interruption of the operation of a computer system or damage to the software, in the form of a programme or data.

In particular, computer damage occurs when - taking into account both the hardware and the software components, even separately - a modification occurs so as to prevent, even temporarily, their functioning.

Specifically, the crimes of:

- Unauthorised access to a computer or telecommunications system (Article 615-ter of the C.C.), which occurs when a person unlawfully enters a computer or telecommunications system protected by security measures or remains in such system against the express or tacit will of the person entitled to exclude him. The crime also occurs as a result of mere access to the protected computer system, without there being any actual damage to the data. For example, if a person accesses with no authorization to a third party's computer system in order to take knowledge of another person's confidential data in the context of a commercial negotiation, or accesses with no authorization the company's systems in order to acquire information, he would not have legitimate access to, with a view to carrying out further actions in the interest of the company;

- unlawful interception, obstruction or interruption of computer or telematic communications (Article 617-quater of the C.C.), which occurs when a person fraudulently intercepts communications relating to a computer or telematic system or between several systems, or obstructs or interrupts such communications. The crime is aggravated, *inter alia*, where the

conduct causes damage to a computer or telecommunications system used by the State or another public body or by a company providing public services or services of public utility. The crime could be committed, for example, to the concrete advantage of the company, in the event that an employee prevents a specific computer communication in order to prevent a competing company from transmitting the data and/or the bid for participation in a tender;

- installation of equipment aimed at intercepting, preventing or interrupting computer or telematic communications (Article 617-quinquies of the C.C.), which exists in the case of a person who - outside the cases allowed by law - installs equipment aimed at intercepting, preventing or interrupting communications relating to a computer or telematic system or between several systems. The crime therefore occurs with the mere installation of the equipment, irrespective of whether it is actually used to commit crimes. The crime is committed, for example, to the benefit of the company, if an employee fraudulently breaks into the premises of a potential commercial counterparty in order to install equipment suitable for intercepting computer or telematic communications relevant to a future negotiation;

- damage to computer information, data and programmes (Article 635-bis of the C.C.) and damage to computer information, data and programmes used by the State or by another public body or in any case of public utility (Article 635-ter of the C.C.); damage to computer or telematic systems (Article 635-quater of the C.C.) and damage to computer or telematic systems of public utility (Article 635-quinquies of the C.C.). The crimes under consideration are characterised by the common element of the conduct of destruction, deterioration, deletion, alteration or suppression and differ in relation to the material object (information, data, computer programs or computer or telematic systems), whether or not having public relevance in that they are used by the State or by another public body or in any case of public utility. Examples of conduct which could constitute the crime in question are damage, committed for the benefit of the company, for the deletion or alteration of files or of a newly purchased computer program, in order to deny proof of credit by a supplier of the company or in the event that "compromising" company data are damaged".

The crimes listed in the second clause of Article 24-bis may be regarded as accessory to the crimes referred to above and relate to the possession or dissemination of access codes or the possession or dissemination of programmes (viruses or spyware) or devices intended to damage or interrupt a computer system.

In particular, the following crimes are detected:

- unlawful possession and dissemination of access codes to computer or telematic systems (Article 615-quater of the C.C.), which punishes anyone who, in order to procure a profit for himself or others or to cause damage to others, unlawfully obtains, reproduces, disseminates, communicates or delivers codes, passwords or other means of access to a computer or telematic system protected by security measures or in any case provides indications or instructions suitable for such purpose. The crime is therefore punished for conduct

preparatory to or functional to unlawful access, consisting in procuring for oneself or others the means of access necessary to overcome the security safeguards of computer systems. The crime could be committed, for example, if an employee obtains and disseminates access passwords to a system or a database, in order to enable the company to monitor the activities of another person, when this could be in the company's interest.

- dissemination of computer equipment, devices or programmes intended to damage or interrupt a computer or telecommunications system (Article 615-quinquies of the C.C.), which punishes anyone who procures, produces, reproduces, imports, disseminates, communicates, delivers or in any case, makes available to others, computer equipment, devices or programmes, with a view to unlawfully damaging a computer or telecommunications system, the information, data or programmes contained therein or pertaining thereto, or to favouring the total or partial interruption or alteration of its operation. This crime could, for instance, occur if an employee installs a virus capable of damaging or interrupting the operation of the company's computer system so as to destroy "sensitive" documents in connection with criminal proceedings against the company.

Finally, Article 24-bis, third clause, penalises the use of electronic means aimed at undermining the reliability of the means used to ensure certainty in relations between citizens: the electronic document and the digital signature, the rules of are now fully set out in the Digital Administration Code (Legislative Decree no. 82 of 2005 as amended).

In particular:

- Article 491-bis of the C.C. extends the rules laid down by the Criminal Code on the subject of document forgery also to public electronic documents having evidentiary effect. By virtue of this extension, therefore, the forgery of a computer document may give rise, *inter alia*, to the crimes of material and ideological forgery in public deeds, certificates, administrative authorisations, authenticated copies of public deeds, certificates of the content of deeds (Articles 476-479 of the C.C.), material forgery by a private individual (Article 482 of the C.C.), ideological forgery by a private individual in a public deed (Article 483 of the C.C.), forgery in registers and notifications (Article 484 of the C.C.), use of a false deed (Article 489 of the C.C.). By way of example, the crime of forgery of electronic documents includes the conduct of anyone who forges corporate documents which are the subject of computerised flows with a Public Administration or the conduct of anyone who alters information with probative value present on his own systems, in order to eliminate data considered "sensitive" in view of a possible inspection activity.

- computer fraud by the person providing electronic signature certification services (Article 640-quinquies of the C.C.), which punishes the person who, by providing electronic signature certification services, violates the obligations laid down by law for the issuance of a qualified certificate, in order to procure an unfair profit for himself or others or to cause damage to others. This crime is therefore a so-called proper crime, in that it can only be committed by qualified certifiers, or rather, by persons providing qualified electronic

signature certification services, and is therefore not relevant for the Company.

In the light of the application prerequisites of Decree 231, institutions shall be considered liable for cybercrimes committed in their interest or to their advantage by persons in positions of representation, administration or management of the institution or of one of its organisational units, but also by persons subject to their direction or supervision.

The types of cybercrime refer to a multiplicity of criminal conducts in which a computer system is, in some cases, the very target of the conduct and, in others, the instrument the author intends to carry out the criminally relevant crime through.

With regard to the corporate areas most exposed to the risk of commission of this category of predicate offence, it should be noted that access to technology has greatly expanded the perimeter of the potential authors of criminal conduct, although there are corporate areas (e.g. administration, finance and control, marketing, R&D, purchasing and procurement) that are more exposed to the risk of commission of cybercrimes that may result in an economic interest or advantage for the company

In order to prevent the commission of cybercrimes, in addition to prohibitions and sanctions, appropriate technological tools (e.g. software) must be available, designed to prevent and/or impede the commission of cybercrimes by employees and in particular by those belonging to the corporate structures considered most exposed to risk.

In addition, in order to prevent the commission of crimes and to enable the exercise of control powers, there must be traceability of accesses and activities carried out by employees and/or collaborators of the Organisation.

1) Extent of risk and areas at risk of crime.

The risk of committing of cybercrimes by top management or subordinates of A.C. Pisa 1909 is of **medium** level.

The following areas, in particular, are at risk:

- administration (all departments: finance; purchase; marketing);
- press office;
- sports secretariat;
- sanitary area.

The provisions of this Special Part are addressed to all persons involved in the processes identified above, so that they adopt rules of conduct in compliance with what is prescribed in order to prevent the occurrence of the crimes considered herein. All employees, collaborators and suppliers of goods and services must, therefore, conform their actions to the general principles of conduct, while some collaborators are the recipients of specific procedures that are an integral and constitutive part of

this Organisational Model.

2) General principles of conduct.

The following prohibitions are of general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909. Their violation will be sanctioned as provided for by the Disciplinary System that is an integral part of the Organisational Model.

All the aforementioned collaborators of the Football Club are prohibited from engaging in, contributing to or causing the commission of conduct that, taken individually or collectively constitute, directly or indirectly, crimes falling within those indicated in Articles 24-bis of the Legislative Decree no. 231/2001. Violations of the corporate procedures set out in this Special Part are also prohibited and punished.

It is therefore forbidden for the above parties to:

- engage in conduct - also with the help of third parties - aimed at accessing the information systems of others in order to unlawfully acquire information contained in those information systems or to damage or destroy data contained in those information systems;
- illegally using access codes to computer and telematic systems and disseminating them;
- engage in conduct aimed at destroying or altering computer documents for evidential purposes in the absence of a specific authorisation;
- use or install programs other than those authorised by A.C. Pisa 1909;
- carry out fraudulent activity of intercepting, impeding or interrupting communications relating to a computer or telematic system of public or private subjects in order to acquire confidential information;
- install equipment for intercepting, impeding or interrupting the communications of public or private parties;
- bypass or attempt to bypass the company's security mechanisms (antivirus, firewall, proxy server, etc.);
- leave one’s Personal Computer unblocked and unattended;
- disclose one’s authentication credentials (username and password) to anyone on the company network or even to other sites/systems;
- illegally hold or disseminate access codes to computer or telematic systems of third parties or public bodies;
- enter the company network and programs with an user identification code other than the one assigned;

- access to restricted areas (such as server rooms, technical rooms, etc.) by persons who do not have the appropriate authorisation, whether temporary or permanent and, in any case, in compliance with the (internal and external) legislation in force on the protection of personal data;

- surf the Internet and use email through the company's information systems for personal purposes, that is purposes unrelated to one's work activity.

Each collaborator of A.C. Pisa 1909 is required to:

- not to leave his/her PC unattended during a session of processing sensitive customer/supplier data;

- ensure that – when away from of his/her office/workstation - no one can access his/her PC; store under lock and key mobile media (USB sticks/CDs) or documents containing confidential information;

- turn his/her pc off when you he/she goes home in the evening or when he/she is away for a few days;

- if he/she has a notebook in use: a) store it in a locked cabinet; b) never leave the notebook unattended either in the office or when travelling, keeping particular attention in airport or on public transport; c) when travelling carry the notebook as hand luggage and store passwords, codes, etc. separately; d) if his/her notebook is equipped with a boot code, always use it to further protect it from misuse;

- when disposing of data media: a) he/she should dispose of documents, diskettes or other confidential media in a safe manner and not simply throw them in the waste bin or dustbin; b) he/she should ensure that information that is no longer useful is securely erased from the data media and should not store e-mails unnecessarily; c) he/she should not dispose of USB sticks or CDs unless the data has been completely erased first;

- he/she should only use software for which the Club holds a regular licence (copyright): a) he/she should not install programmes on his/her own PC. In case of need of specific tools, he/she should contact a specialised technician for a safe procedure; b) he/she should not make or use copies of unlicensed software.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a company policy has been formalised to prevent the commission of the crimes referred to in Article 24 bis of Legislative Decree no. 231/2001.

An information programme is also in place for all employees who use a company personal computer.

The person in charge of the information programme shall provide evidence to the Supervisory Body of his activities.

4) Checks by the Supervisory Body.

The SB carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules set out in this Model.

Therefore, the SB is granted autonomous powers of initiative and control and is guaranteed free access to all relevant corporate documentation.

The SB may also intervene following reports received.

The head of the IT department shall draw up an annual report describing whether all the objectives set out in the corporate policy have been achieved or not.

ANNEX III Corporate Crimes

Law No. 69 of 27 May 2015 introduced new rules on the crime of false accounting, transforming it from a misdemeanour to a felony, and providing, in addition to the increase in the maximum sentence for natural persons to 8 years' imprisonment, the elimination of the quantitative thresholds (5% of the economic result; 1% of the assets; 10% of the estimates) previously provided for as a bar to its actual commission/integration.

The predicate offences provided for in Article 25-ter of Legislative Decree no. 231/2001 are listed below:

- False corporate communications (Article 2621 of the Civil Code). This crime occurs when directors, general managers, managers responsible for preparing corporate financial reports, statutory auditors and liquidators, who, in order to obtain an unjust profit for themselves or for others, knowingly present material facts that are not true, or omit material facts whose disclosure is required by law on the economic, asset or financial situation of the company or the group to which it belongs, in a way that is likely to mislead others. This crime also occurs where the information relates to assets owned or administered by the company on behalf of third parties. Article 2621-bis of the Civil Code provides for a reduced penalty if the facts are of minor importance.

- False corporate communications in listed companies (Article 2622 of the Italian Civil Code), a crime that is not applicable in this case since there is no solicitation of investment and A.C. Pisa 1909 is not listed.

- False information in prospectuses (Article 2623 of the Italian Civil Code), a crime that is not applicable in this case as there is no solicitation of investment and A.C. Pisa 1909 is not listed.

- False statements in the reports or communications of the auditing firm (Article 2624 of the Italian Civil Code). This crime occurs when the persons in charge of the audit who, in order to obtain an unjust profit for themselves or others, in reports or other communications, with the awareness of the falsehood and the intention to deceive the recipients of the communications, certify falsehood or conceal information concerning the economic, asset or financial situation of the company, body or subject to audit, in such a way as to mislead the recipients of the communications on the aforementioned situation.

- Obstruction of control (Article 2625 of the Civil Code). This crime occurs when the directors, by concealing documents or using other suitable devices, prevent or in any case obstruct the performance of the control or audit activities legally attributed to the shareholders, other corporate bodies or auditing companies.

- Unlawful restitution of contributions (Article 2626 of the Civil Code). This crime occurs when the directors, except in cases of legitimate reduction of the share capital, return, even simulated, the contributions to the shareholders or release them from the obligation to make

them.

- Illegal distribution of profits or reserves (Article 2627 of the Civil Code). This crime occurs when directors distribute profits or advances on profits not actually made or allocated by law to reserves, or distribute reserves, even if not made up of profits, which cannot be distributed by law. The return of profits or the re-establishment of reserves before the deadline for approval of the financial statements extinguishes the crime.

- Illegal transactions involving corporate shares or quotas or of its parent company (Article 2628 of the Civil Code). This crime occurs when directors, outside the cases permitted by law, purchase or subscribe shares or quotas, including those of the parent company, causing damage to the integrity of the share capital or reserves that cannot be distributed by law. If the share capital or reserves are reconstituted before the deadline for approval of the financial statements for the year in which the conduct was committed, the crime is extinguished.

- Transactions to the detriment of creditors (Article 2629 of the Civil Code). This crime occurs when directors, in breach of the legal provisions protecting creditors, carry out a reduction in share capital or merger with another company or demerger, causing damage to creditors. Compensation of damage to creditors before trial extinguishes the crime.

- Failure to disclose a conflict of interest (Article 2629-bis of the Civil Code). This crime, introduced by Law no. 262 of 2005, occurs when a director or member of the management board of a company with securities listed on regulated markets in Italy or in another EU Member State or widely distributed among the public pursuant to Article 116 of the Consolidated Law on Finance, Legislative Decree no. 58 of 24 February 1998, as amended, or of a person subject to supervision pursuant to Article 116 of the Consolidated Act referred to in Legislative Decree no. 58 of 24 February 1998, as subsequently amended, or of a person subject to supervision pursuant to the Consolidated Act referred to in Legislative Decree no. 385 of 1 December 1993, the aforementioned Consolidated Act referred to in Legislative Decree no. 58 of 1998, of Law No. 576 of 12 August 1982, of Legislative Decree No. 124 of 21 April 1993, violates the obligations provided for in Article 2391, first paragraph, and that is to say, fails to disclose the interest which, on its own behalf or on behalf of third parties, it has in a given transaction.

- Fictitious formation of capital (Article 2632 of the Civil Code). This crime occurs when the directors and contributing shareholders, even in part, fictitiously form or increase the share capital by means of the allocation of shares or quotas for an overall amount exceeding the amount of the share capital, reciprocal subscription of shares or quotas, significant overvaluation of contributions in kind or receivables or of the corporate assets in the case of transformation.

- Improper distribution of corporate assets by liquidators (Article 2633 of the Civil Code). This crime occurs when liquidators cause damage to creditors by distributing corporate

assets among shareholders before paying the company's creditors or setting aside the sums necessary to satisfy them. Compensation of damage to creditors before the trial extinguishes the crime.

- Unlawful influence on the shareholders' meeting (Article 2636 of the Civil Code) This crime occurs when a person, by simulated or fraudulent acts, determines the majority in the meeting in order to procure an unfair profit for himself or others.

- Bribery among private individuals (Article 2635 of the Civil Code) and incitement to bribery among private individuals (Article 2635-bis of the Civil Code)

  Law no. 190/2012 amended Article 2635 of the Civil Code, introducing the crime of "Bribery among private individuals". From the point of view of the administrative liability of Institutions, the Law under review added to Article 25-ter, paragraph 1, of Legislative Decree no. 231/2001, letter s-bis), referring to the new crime of "bribery among private individuals" only in the cases referred to in the third paragraph of Article 2635 of the Civil Code, that is with exclusive reference to cases of active bribery: in other words, the liability of legal persons can only be incurred against the Company of the briber (that is the person who, in order to obtain a benefit or advantage for his/her company, bribes, by giving or promising money or another benefit, a top manager or an employee of another company to make him/her perform or omit acts in breach of the obligations inherent in his/her office or the obligations of loyalty, with simultaneous damage to his/her Company.

  Subsequently, the Legislator (in implementation of the delegation provided for in Article 19 of Law No. 170 of 2016) with Legislative Decree No. 38 of 15 March 2017, supplemented the previous measures adopted for the prevention and repression of bribery between private individuals in order to make the national legislation compliant with EU requirements. Briefly, with this regulatory intervention, the following was done:

  - amend the crime of bribery among private individuals pursuant to Article 2635 of the Civil Code already referred to in Decree 231 (under Article 25-ter "Corporate crimes");

  - introduce the new crime of incitement to bribery among private individuals pursuant to Article 2635 bis of the Civil Code, also including it as a predicate offence within Article 25-ter of Legislative Decree No 231/2001;

  - introduce accessory penalties under Article 2635-ter;

  - tighten up the sanctions against the Organisation, pursuant to Legislative Decree no. 231/2001, in the event of conviction for the crime of bribery among private individuals referred to in Article 2635(3) of the Civil Code and for the crime of incitement to bribery among private individuals referred to in Article 2635(2) of the Civil Code.

Legislative Decree No. 38/2017 has profoundly affected the structure of the case of bribery among private individuals referred to in Article 2635 of the Civil Code:

- by broadening the range of active parties (by introducing in addition to directors, general managers, managers responsible for preparing corporate financial reports, auditors, liquidators and those subject to management and supervision, but also those who, within the institution, exercise management functions other than those performed by them);
- by clarifying that such persons may belong to companies or private organisations (extending the scope of the crime to any private law institutions, including, for example, foundations or non-profit entities);
- by extending the range of criminal conduct (including "solicitation of money or other benefits");
- by sanctioning, among the conducts carried out by the briber, not only the promise and the giving, but also the "offering" of money or other benefits. Such conduct is relevant even if committed through a "third party";
- it is specified that "money or other benefits" must be "not due";
- it is provided that the measure of confiscation for equivalent may not be lower than the value of the benefits "given", "promised" or "offered";
- by bringing forward the threshold of punishability to a time prior to the performance of the act in breach of the obligations inherent in the office or the obligations of loyalty;
- by no longer providing, for the purposes of punishability of the crime, that the corrupt conduct must cause or be likely to cause "harm" to the company to which the bribed person belongs.

This last amendment marks a significant change in the punitive paradigm: the conduct is punished *per se* regardless of the actual detrimental consequences - whether financial or non-financial - for the Company or private body to which the bribed person belongs. The new provision therefore punishes anyone who, even through a third party, offers, promises or gives undue money or other benefits to certain categories of persons working in companies or private institutions (directors, general managers, managers responsible for preparing corporate financial reports, auditors, liquidators, those who perform management functions other than those of the above-mentioned persons, or those who are subject to the management or supervision of one of the above-mentioned persons), so that they perform or omit acts in breach of the obligations inherent in their office or obligations of loyalty. Therefore, as in the previous regulation, the Institution's administrative liability continues to apply only in cases of "active bribery" (Article 25-ter, paragraph 1, letter s bis, continues to refer exclusively to the third paragraph of Article 2635 of the Civil Code). The conditions for prosecution also remain identical: the crime can be prosecuted on complaint by the injured

party, unless the act results in distortion of competition in the acquisition of goods and services. Finally, the catalogue of corporate crimes 231 has been supplemented with the new case referred to in the first paragraph of Article 2635-bis of the Civil Code, that is, incitement to bribery among private individuals, which has not been perfected. Pursuant to the aforementioned provision, the conduct of a person who offers or promises money or other benefits to top management of companies or private institutions (directors, general managers, managers responsible for preparing corporate accounts, statutory auditors and liquidators), as well as to those who work in a management position, for the performance or omission of an act in breach of the obligations inherent in their office or of the obligations of loyalty, when the offer or promise is not accepted, is punished. This particular case is prosecutable on complaint by the injured person.

- Agiotage (Article 2637 of the Civil Code). This particular case occurs when a person spreads false information, or carries out simulated transactions or other devices which are likely to cause a significant alteration in the price of unlisted financial instruments or for which no application for admission to trading on a regulated market has been submitted, that is to have a significant impact on the public's confidence in the financial stability of banks or banking groups.

- Obstructing the exercise of the functions of the Public Surveillance Authorities (Article 2638 of the Civil Code). This particular case occurs when directors, general managers, statutory auditors and liquidators of companies or institutions and other persons subject by law to the Public Supervisory Authorities, or required to fulfil obligations towards them, in the communications to the aforementioned authorities provided for by law, in order to obstruct the supervisory functions expose material facts which are not true, even if they are the subject of assessments, on the economic, asset or financial situation of those subject to supervision or, for the same purpose, conceal by other fraudulent means, in whole or in part, facts which they should have communicated, concerning the same situation. This particular crime also occurs where the information relates to assets owned or administered by the company on behalf of third parties. The same applies to directors, general managers, auditors and liquidators of companies or institutions and other persons subject by law to the Public Supervisory Authorities or bound by obligations towards them, who, in any form whatsoever, also omitting the communications due to the aforementioned Authorities, knowingly obstruct the latter's functions.

On the other hand, the crimes of market abuse cannot be committed since there is no solicitation of investment or listing on the market by A.C. Pisa 1909.

1) Extent of risk and areas at risk of crime.

The risk of committing of corporate crimes by top management or subordinates of A.C. Pisa 1909 is **low**. The aforementioned assessment is significantly affected by the fact that the football club is not listed on the Stock Exchange and has not issued bonds.

Theoretically, only some of the crimes analysed above could be committed and in particular those provided for in Articles 2621, 2621-bis, 2624, 2625, 2626, 2627, 2628, 2629, 2632, 2633, 2636, 2635.

The areas at risk are as follows:

- Board of Directors;
- Administration, Finance and Control Manager (as the person in charge of preparing the financial statements);
- Auditing Company;
- Board of Auditors.

The provisions set out herein are addressed to all the persons involved in the processes identified above, so that they adopt rules of conduct in accordance with the provisions laid down in order to prevent the occurrence of the crimes considered therein.

All employees, collaborators and suppliers of goods and services shall, therefore, conform their actions to the general principles of conduct, while some collaborators are the recipients of specific procedures that are an integral and constitutive part of this Organisational Model.

2) General principles of conduct.

The following prohibitions are of general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided for by the Disciplinary System, which is a constituent part of the Organisational Model.

All the aforementioned collaborators of the football club are forbidden to engage in, contribute to or cause behaviours that, taken individually or collectively, directly or indirectly constitute cases falling under those indicated in Articles 25-ter of LD no.231. Violations of corporate procedures indicated in this Special Part are also prohibited and punished.

The above-mentioned individuals:

- must ensure that their work is carried out in accordance with the principles of integrity, correctness and transparency in the preparation of financial statements, reports and other corporate communications required by law, so as to provide institutional bodies and stakeholders with correct and transparent information on the economic, assets and financial situation of the company in compliance with the applicable legislation, including the implementation of accounting standards. It is therefore forbidden to indicate or send for processing or inclusion in such communications, false, incomplete or in any case untrue data on the company's economic, assets or financial situation. It is also prohibited to carry out activities and/or operations aimed at creating non-accounting assets (e.g. arbitrary invoices

or over-invoicing), or aimed at creating "black funds" or "parallel accounting";

- it is mandatory to observe a conduct aimed at ensuring proper interaction between the corporate bodies, ensuring and facilitating all forms of control over the management of the company, in the manner provided for by law, as well as the free and regular formation of the will of the shareholders' meeting. In this perspective, it is forbidden to: a) prevent or hinder in any way, including by concealing documents or using other suitable devices, the performance of the institutional control and audit activities of the Board of Auditors; b) unlawfully determine or influence the adoption of resolutions by the shareholders' meeting, by carrying out simulated or fraudulent acts that are intended to artificially alter the normal and proper procedure for the formation of the will of the meeting;

- it is mandatory to ensure strict compliance with all legal provisions protecting the integrity and effectiveness of the corporate capital, so as not to damage the guarantees of creditors. It is therefore prohibited to: a) return, even with simulation, contributions to shareholders or release them from the obligation to make them, except, of course, in the event of a legitimate reduction in share capital; b) distribute profits or advances on profits not actually made, or allocated by law to reserves, or distribute reserves, even if not made up of profits, which cannot be distributed by law; c) purchase corporate shares or shares of the parent company except in cases permitted by law, thereby causing damage to the integrity of the share capital or reserves that cannot be distributed by law; d) carry out reductions in share capital or mergers with other companies or demergers in violation of the law, thereby causing damage to creditors; e) fictitiously form or increase the share capital by allocating shares for a sum lower than their nominal value, reciprocal subscription of shares or quotas, significant overvaluation of contributions in kind or receivables, or of the company's assets in the event of transformation;

- with regard to financial statements and other corporate communications, in order to ensure their correctness, it is necessary to: a) comply with the principles of compilation of accounting documents pursuant to Article 2423, paragraph 2 of the Italian Civil Code, according to which "the financial statements must be drawn up clearly and must provide a true and fair view of the company's financial position and results of operations"; b) comply with all the provisions of Articles 2423 - 2427 of the Italian Civil Code;

- similar accuracy must be applied in drafting other communications imposed or in any case provided for by law and addressed to shareholders or third parties so that they contain clear, precise, truthful and complete information;

- ensure systematic communication to the SB of any assignment that may be given to an auditing company, including that relating to the certification of the financial statements;

- it is required to comply with the tasks, roles and responsibilities defined by the corporate organisational chart and by letters of appointment in the preparation, processing and control of the financial statement disclosures;

- to ensure the timely transmission to the Chairman of the Board of Directors and to all the members of the Board of Directors of the draft financial statements, as well as an appropriate recording of such transmission
- to impose the necessary signature by the heads of the functions involved in the processes of preparation of the draft financial statements or other corporate communications; such signature has the value of certifying the truthfulness of what is contained therein;
- to ensure the traceability of operations involving the transfer and/or assignment of credit positions, through the figures of subrogation, assignment of credit, taking over of debts, recourse to the figure of delegation, transactions and/or waiver of credit positions and the relevant justifying reasons
- to provide adequate safeguards to ensure the protection and safekeeping of documents containing confidential information in order to prevent undue access;
- to provide for the obligation to execute investment transactions on the basis of the strategies formally defined in advance by the BOD;
- to require all those who collaborate, in any capacity, in the preparation of financial statements and other corporate communications to keep the documents and information acquired confidential.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular, the procedure for drawing up the financial statements and other communications (Procedure no. 1) and the procedure for transmitting the draft financial statements before the Board of Directors' meeting (Procedure no. 2).

In order to avoid the commission of crimes, the procedures relating to the purchase of goods and services, as well as to the hiring of personnel (Procedures No. 2 - 4 - 5 - 6 - 7 PA) are fully referred to.

Indeed, it goes without saying that if the operations for the purchase of goods and services as well as for the purchase of footballers are carried out in accordance with the procedures referred to, the financial statements reporting the aforesaid operations may with greater difficulty contain untrue information.

With reference to the crimes of "bribery and incitement to bribery among private individuals", considering that the operational procedures for implementing the crime, and therefore also the activities instrumental to the commission of the crime, are similar to those relating to crimes against the Public Administration, reference should be made, insofar as applicable (and taking into account the reference to a third party private company or body), to what has already been illustrated in

Annex I Crimes against Public Administration concerning the areas at risk, the general principles of conduct and the specific rules of conduct.

4) Checks by the Supervisory Body.

The Supervisory Body carries out periodical spot checks on the activities linked to sensitive processes to verify their correct implementation in relation to the rules set out in the Model.

To this end, autonomous powers of initiative and control, as well as free access to all relevant corporate documentation, are guaranteed to the SB.

The SB may also intervene following reports received.

Any reduction in share capital or mergers with other companies or demergers must be promptly notified to the SB.

The draft of the financial statements must be sent to the SB before approval in the same terms as those set out in Procedure no. 2.

ANNEX IV Crimes against the individual

Crimes against the individual are provided for and regulated by Article 25-quinquies of Legislative Decree no. 231/2001.

Law no. 228/2003, containing measures against trafficking in persons, introduced into Decree 231 Article 25-quinquies, which provides for the application of administrative sanctions to institutions for committing crimes against the individual.

Article 25-quinquies was subsequently supplemented by Law no. 38/2006 containing *"Provisions on the fight against the sexual exploitation of children and child pornography also through the Internet"*, which amended the scope of application of the crimes of child pornography and possession of pornographic material (Articles 600-ter and 600-quater of the C.C.), including cases in which such crimes are committed through the use of pornographic material depicting virtual images of minors under 18 years of age or parts thereof (so-called virtual child pornography).

This law has also partly amended the rules governing the crimes of child prostitution, child pornography and possession of pornographic material (Articles 600-bis, 600-ter and 600-quater of the C.C.), which were already relevant for the purposes of the administrative liability of institutions.

The rules governing the predicate offences in question have been amended several times by subsequent legislation (see Law No. 108/2010, Law No. 172/2012, Legislative Decree No. 24/2014 and Legislative Decree No. 39/2014).

In particular, it should be noted that Law no. 172/2012 (setting out *"Ratification and implementation of the Council of Europe Convention on the protection of children against sexual exploitation and sexual abuse, signed in Lanzarote on 25 October 2007, as well as rules of adaptation of the internal system"*) introduced into the Criminal Code the crime of solicitation of minors (Article 609-undecies) which, subsequently, Legislative Decree no. 39/2014 included among the predicate offences provided for by Article 25-quinquies of Decree 231.

In addition, Legislative Decree no. 24/2014 amended the crimes set out in Articles 600 and 601 of the Criminal Code.

Lastly, the entry into force of Law no. 199 of 29 October 2016 is reported, containing *"Provisions to address the phenomenon of undeclared work, labour exploitation and wage adjustment in the agricultural sector"*, which amended Article 603-bis of the C.C., headed "*Illegal intermediation and labour exploitation"*.

In the light of the above regulatory changes, Article 25-quinquies of Legislative Decree no. 231/2001 includes the following crimes:

- Art. 600 of the C.C. – enslavement or retention in slavery;
- art 600-bis of the C.C. - Child prostitution;
- Art. 600-ter of the C.C. - Child pornography;

- Art. 600-quater of the C.C. - Possession of pornographic material;
- Art. 600-quater.1 of the C.C. - Virtual pornography;
- Art. 600-quinquies of the C.C. - Tourist trips aimed at exploiting child prostitution;
- Art. 601 of the C.C. - Human trafficking;
- Art. 602 of the C.C. - Purchase and sale of slaves;
- Art. 603-bis of the C.C. - Illegal intermediation and labour exploitation;
- Art. 609-undecies of the C.C. - Solicitation of minors.

With specific reference to the crime of unlawful intermediation and exploitation of labour, it should be noted that Article 6 of Law no. 199 of 29 October 2016 is aimed at extending the protection of workers and more generally of the market.

As specified, in the report to the text of the law, *"the exploitation of workers redounds, as a matter of fact, always to the advantage of companies, which are often constituted in corporate or associative form"*.

This new wording rewrites the unlawful conduct of the *"caporale"*, that is, those who recruit labour to employ them in third parties in conditions of exploitation, taking advantage of their state of need (the reference to the *"state of need"* has been deleted) and, compared to the previous case, introduces a basic case which does not require violent, threatening or intimidating behaviour (there is no longer any reference to the carrying out of an organised activity of intermediation nor to the organisation of the labour activity characterised by exploitation).

The crime of illicit intermediation and exploitation of labour is therefore now applicable to all employers.

The new formulation, compared to the one introduced for the first time in our legal system by Law Decree no. 138 of 13 August 2011, converted into Law no. 148 of 14 September 2011, clearly specifies that the employer can be sanctioned in the same identical way as the *"caporale",* who uses/ exploits/employs labour "subjecting workers to exploitative conditions and taking advantage of their state of need", even without unlawful recruitment through third parties.

The changes just described should be carefully examined especially in the light of the so-called exploitation indices, the occurrence of which - these are alternative indices - potentially constitutes the exploitation of the worker.

These include not only the repeated payment of wages that are clearly not in line with the provisions of the collective bargaining agreement signed by the comparatively more representative social partners, or in any case disproportionate to the quantity/quality of the work performed, but also violations that are not necessarily serious and systematic.

These include, for example, non-compliance with the rules on working hours/rest/work breaks/ holidays or with those on safety in the workplace, which are now considered in their entirety and no longer only those that are hazardous to health, safety or personal safety.

Exploitation refers to habitual conduct and occurs when a person is prevented from freely determining his existential choices.

The Court of Cassation (Section V, Sentence no. 14591 of 4 April 2014) clarified that the crime of *"caporalato"* (illegal recruitment of workforce) *"is aimed at punishing those types of conduct that do not merely result in a breach of the rules laid down in Legislative Decree 276/2003, without however reaching the heights of extreme exploitation, as referred to in Article 600 of the Criminal Code [enslavement]".*

Basically, the concept of exploitation is to be understood as any conduct, even if carried out without violence or threat, which inhibits or limits the victim's freedom of self-determination without it being necessary to achieve that state of total and continuous subjection which characterises the crime of enslavement.

And so, for the state of need, which is not identified with the need to work for a living, but presupposes - according to the interpretation of the Court of Cassation (ex multis, sez. II, sentence no. 18778 of 25 March 2014) - *"a state of need that tends to be irreversible, which, while not absolutely annihilating any freedom of choice, entails a pressing need, such as to strongly compromise the contractual freedom"* of the person.

In order to complete the crime of unlawful intermediation and exploitation of labour, the general intent is required, which includes all the elements of the case, since it is therefore necessary that the agent, in addition to intending the conduct typified in Article 603-bis of the C.C. and its particular modal connotations, represents the state of need in which the exploited worker finds himself.

Still in the context of the protection of workers and, more generally, of the market, it is worth mentioning Legislative Decree no. 109/2012, which introduced in Article 25-duodecies of Legislative Decree no. 231/2001 the crime of employment of third-country nationals whose stay is irregular.

The incriminating provision in question applies in the case in which one of the aggravating conditions provided for by paragraph 12-bis of Art. 22 of the Legislative Decree 286/1998 (the so-called Consolidated Act on Immigration) occurs, which states: "*The penalties for the fact provided for by paragraph 12 (Editor's note. The penalties for the fact provided for in paragraph 12 (editor's note: that is, the fact of the "employer who employs foreign workers without a residence permit provided for in the present article, or whose permit has expired and whose renewal, revocation or cancellation has not been requested within the terms of the law") are increased by between one third and one half*:

(a) if more than three workers are employed;

b) if the employed workers are minors of non-working age;

c) if the employed workers are subjected to other particularly exploitative working conditions pursuant to the third paragraph of Article 603-bis of the C.C.

Article 25-duodecies was also reformed by Law 161 of 17.10.2017 concerning "*Amendments to the Code of Anti-Mafia Laws and Prevention Measures, referred to in Legislative Decree No. 159 of 6 September 2011, to the Criminal Code and to the implementing, coordinating and transitional rules of the Code of Criminal Procedure and other provisions. Delegation of powers to the Government for the protection of employment in seized and confiscated companies"*.

More specifically, the following clauses (*"Provisions against illegal immigration")* have been added to Article 25-duodecies of Legislative Decree no. 231/2001: *"1-bis. In relation to the commission of the crimes referred to in Article 12, paragraphs 3, 3-bis and 3-ter, of the consolidated act referred to in Legislative Decree no. 286 of 25 July 1998, and subsequent amendments, the institution shall be subject to a monetary sanction of between four hundred and one thousand shares. 1-ter. In relation to the commission of crimes referred to in article 12, paragraph 5, of the single text referred to in Legislative Decree 286 of 25 July 1998, and subsequent modifications, the institution is liable to monetary sanctions of between one hundred and two hundred shares. 1-quater. In cases of conviction for the crimes referred to in paragraphs 1-bis and 1-ter of the present article, the disqualification sanctions provided for in article 9, paragraph 2, are applied for a period of not less than one year".*

Finally, in the context of crimes against the individual, the 2017 European Law is introduced, which, with the aim of bringing our legal system into line with that of the European Union, introduces, *inter alia*, new predicate offences for the administrative liability of Institutions.

As a result of Article 5 of the 2017 European Law, in fact, the text of Legislative Decree no. 231/2001 is enriched by the new Article 25-terdecies entitled *"Racism and xenophobia"*, which is reproduced here:

"Art. 25-terdecies - (Racism and xenophobia) - 1. In relation to the commission of the crimes referred to in Article 3, paragraph 3-bis, of Law no. 654 of 13 October 1975, the financial penalty from two hundred to eight hundred shares shall apply to the institution.

***2.** In cases of conviction for crimes referred to in paragraph 1, the disqualification sanctions provided for in article 9, paragraph 2 are applied to the institution for a period of not less than one year.*

***3.** If the institution or one of its organisational units is permanently used for the sole or main purpose of enabling or facilitating the commission of the crimes indicated in paragraph 1, the sanction of definitive disqualification from carrying out the activities pursuant to Article 16, paragraph 3, is applied.*

The crimes in question punish participants in organisations, associations, movements or groups whose purposes include incitement to discrimination or violence on racial, ethnic, national or religious grounds, as well as propaganda or incitement, committed in such a way as to give rise to a real danger of dissemination, based in whole or in part on the denial, gross trivialisation or apologia of the Shoah or crimes of genocide, crimes against humanity and war crimes.

1) Extent of risk of crime commission against the individual at A.C. Pisa 1909 and areas at risk of crime.

With reference to the crime-risk referred to in Article 25-quinquies, it should be pointed out that the case law itself shows how these crimes may be applied in concrete terms in companies operating in the publishing or audio-visual sector, with reference to the publication of pornographic material relating to minors, or, again, in companies managing Internet sites, which organise tourist initiatives, which may include collateral services potentially involving the exploitation of child prostitution. With regard to crimes related to slavery, where the conduct consists of the illegal procurement of labour through the smuggling of migrants and the slave trade, it should be noted that these crimes extend not only to the person who directly carries out the unlawful conduct, but also to those who knowingly facilitate, even only financially, such conduct.

More specifically, the risk of committing crimes related to child pornography is **null and void** since the sports club would not benefit or have any interest in committing such crimes.

Moreover, A.C. Pisa 1909 does not organise trips to countries where the risk of child prostitution exists, not even as a gift.

In any case, the Club, in its general principles, introduces a specific prohibition of access to sites containing child pornography, with provisions for disciplinary sanctions, and, moreover, has already introduced changes to its computer system aimed at preventing access to sites containing child pornography.

In terms of crimes related to enslavement, the risk is extremely **low**.

A.C. Pisa 1909 adopts measures aimed at preventing the companies supplying goods and services from reducing or limiting or denying compliance with labour regulations concerning the weekly working time limit, child and women's labour, hygiene, health and safety conditions, as well as trade union rights (signing a specific commitment and checking the fairness of prices).

The only area at risk of crime is, therefore, that of the awarding of contracts for goods and services to external companies, with particular reference to contracts aimed at the production of merchandising bearing the brand of the football club.

With reference, on the other hand, to the crimes of racism and xenophobia included in Art. 25-terdecies of Legislative Decree no. 231/2001, without prejudice to the inapplicability in abstract terms of the crimes in question, given the lack of any interest or advantage for A.C. Pisa 1909, reference should be made to the provisions of Annex X Crimes related to sport concerning the provisions of the Code of Sporting Justice for the regulation of the behaviour of sportsmen and supporters.

Lastly, with regard to the crime of employing third-country nationals whose stay is irregular, as provided for by Article 25-duodecies of Legislative Decree no. 231/2001, only the hypothesis referred to in letter a), i.e. “if the number of workers employed exceeds three”, is considered in abstract terms as a risk, since the cases referred to in letters b), i.e. "if the workers employed are

minors of non-working age" and c), i.e. "if the workers employed are subjected to other particularly exploitative working conditions", are to be considered excluded from the corporate reality of A. C. Pisa 1909, given the fact that the company is not a member of the Supervisory Body. C. Pisa 1909, given the current provisions of the national regulatory framework, with particular reference also to the applicable CCNL and the context in which it operates.

For the prevention of the latter crime and that relating to the crime of illegal intermediation and exploitation of labour, the risks of which are **medium** for A.C. Pisa 1909, see also Annex I Crimes against Public Administration (see, specifically, the risk area "selection of employees" and the related general principles of conduct and the specific rules of conduct), Annex V Crimes of manslaughter and culpable injuries committed in violation of the rules on protection and safety at work, as well as Annex VI Crimes of money laundering and use of money, goods or benefits of illegal origin, as well as self-laundering and organised crime.

2) General principles of conduct.

The following prohibitions are of general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided by the Disciplinary System that is an integral part of the Organisational Model.

All the aforementioned collaborators of the Club are prohibited from carrying out, contributing or causing behaviours that, taken individually or collectively, integrate, directly or indirectly, cases falling within those indicated in Art. 25-quinquies of Legislative Decree no. 231/2001.

Violations of the Club procedures indicated in this Special Part are also prohibited and sanctioned.

Therefore, to the above-mentioned persons:

- it is strictly forbidden to access sites containing child pornography;
- it is expressly requested to always comply with the regulations governing the protection of child and female labour, health and safety conditions, trade union rights or rights of association and representation.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular:

- **Procedure No. 1** before **signing contracts and supply agreements,** a certificate of compliance is requested with labour regulations concerning the weekly working time limit, child labour and women's work, health and safety conditions, as well as trade union rights and the introduction of a specific contractual clause that provides for the right of withdrawal for just cause for A.C. Pisa 1909, where there is evidence of violation of these rights**;**
- **Procedure no. 2** for **the creation of merchandising products,** contracted out to external companies in the name and on behalf of A.C. Pisa 1909, the Marketing Manager shall verify that the final price of the goods is consistent with the average selling price of products of the same quality; documentation of this assessment must be kept accessible to the SB

4) Checks by the Supervisory Body.

The SB carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules set out in the Model.

To this end, the SB is guaranteed autonomous powers of initiative and control and free access to all relevant corporate documentation.

The SB may also intervene following reports.

ANNEX V Crimes of manslaughter and culpable injuries committed in violation of the rules on protection and safety at work

Article 25-septies of Legislative Decree no. 231/2001 was introduced by Article 9 of Law no. 123 of 3 August 2007 (Official Gazette no. 185 of 10 August 2007) and provides for the liability of Institutions for the crimes of manslaughter and serious or very serious injury in violation of the rules on protection and safety at work.

Below is a description of the crimes covered by Article 25-septies of the Decree:

- Manslaughter - Art. 589 of the C.C.

  The conduct is relevant - for the purposes of the Decree - of anyone who culpably causes the death of a person as a result of a breach of the rules for the prevention of accidents at work.

- Negligent personal injury - Article 590 of the C.C.

  The case relevant for the purposes of the Decree is that provided for in the third paragraph of Article 590 of the C.C., which punishes anyone who negligently causes serious or very serious personal injury to others as a result of violation of the rules for the prevention of accidents at work.

  With regard to the definition of criminally relevant injury, particular consideration is given to injuries capable of causing any disease consisting in an anatomical or functional alteration of the body. This definition also includes detrimental changes in functional psychic activity. Serious injuries are defined as those that have endangered the life of a person or caused an illness or incapacity to carry out one's occupations that lasted for more than 40 days, or the permanent weakening of a sense or an organ; on the other hand, very serious injuries are those in which there has been the loss of a sense, or the loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or of the capacity to procreate, or a permanent and serious difficulty of speech, or permanent deformation or disfigurement of the face, or a disease that is certainly or probably incurable.

The active subject of the crimes in question may be anyone who has to observe or cause to be observed the rules of prevention and protection and, therefore, the employer, managers, supervisors, persons to whom functions relating to health and safety in the workplace are delegated and also the workers themselves.

For both crimes, the liability of the persons responsible in the company for adopting and implementing the preventive measures exists in the event that a causal relationship is established between the failure to adopt or comply with the provisions and the harmful event.

It follows that the aetiological link between fault and the harmful event exists only where the event is the specific realisation of one of the risks that the precautionary rule violated was intended to prevent.

On the other hand, liability can be excluded, even in the presence of a violation of the accident prevention regulations, when the event would have occurred anyway if the employer's conduct had been free from fault.

Consequently, the causal relationship and therefore the fault of the persons in charge is lacking in the hypothesis in which the accident occurs as a result of the negligent conduct of the worker which is, however, completely atypical and unforeseeable and has the characteristics of abnormality, unpredictability and exorbitance with respect to the work process and the directives received.

For the company to incur administrative liability under the Decree, the crime must have been committed in its interest or to its advantage.

In the crimes under consideration, the requirements of the interest and advantage of the company could be found in cases where the violation of the accident prevention rules is connected to a saving of the costs necessary to ensure compliance with those rules, or is the consequence of the pursuit (albeit unintentional) of greater speed in work processes or less difficulty in the management of work to the detriment of the relative safety[2].

With reference to the guilt envisaged as a psychological element for both incriminatory cases under consideration, case law has specified that it can arise both in the event of violation of specific rules for the prevention of accidents at work, and in the event of omission of the adoption of measures or arrangements for the most effective protection of the physical integrity of workers, in violation of Article 2087 of the Civil Code.

It follows that the adoption of all appropriate measures to avoid the occurrence of accidents at work fulfils the dual purpose of protecting the health of its employees, first and foremost, but also to avoid serious consequences for the company.

Pursuant to and for the purposes of Article 2087 of the Civil Code and Legislative Decree 81/2008, the employer is moreover obliged to adopt, in the exercise of the enterprise, the measures which, in relation to the particular nature of the work, experience and technique, are necessary to protect the physical integrity and moral personality of the employees, with specific regard to those aimed at limiting harmful events which there is reason to believe may occur in relation to the particular circumstances of the case.

From the point of view of the suitability of the Organisational Model to prevent the commission of crimes, it should be noted that Article 30 of Legislative Decree no. 81/2008 sets out certain standards to be followed.

First of all, clause 5 of the above-mentioned article of the Safety Consolidation Act makes it clear that Institutions which have adopted *"company organisational models defined in accordance with the UNI-INAIL guidelines for an occupational health and safety management system (SGSL) of 28 September 2001 or the British Standard OHSAS 18001:2007 are presumed to comply with the requirements of this article for the corresponding parts"*.

Moreover, Article 30 (clause 1) of Legislative Decree no. 81/2008 states that: *"The organisational and management model capable of being effective in exempting legal persons, companies and associations, including those without legal personality, from administrative liability under*

2 See, to that effect, *ex multis*, Criminal Court of Cassation, section IV, sentence no. 18073 of 29 April 2015

Legislative Decree no. 231 of 8 June 2001, must be adopted and effectively implemented, ensuring a company system for the fulfilment of all legal obligations relating to: a) compliance with the technical and structural standards laid down by law in respect of equipment, plants, workplaces, chemical, physical and biological agents; b) risk assessment activities and the preparation of the consequent prevention and protection measures; c) activities of an organisational nature, such as emergencies, first aid, contract management, periodic safety meetings, consultations with workers' safety representatives; d) health surveillance activities e) activities of information and training of workers; f) supervisory activities with reference to compliance with the procedures and instructions for safe work by workers; g) the acquisition of documents and certifications required by law; h) periodic checks on the application and effectiveness of the procedures adopted".

It should also be considered that accident prevention measures are also aimed at preventing injury to third parties who happen to be in the workplace, even if they are not part of the company's organisation.

1) Extent of risk of committing manslaughter or serious or very serious injuries in violation of the rules on protection and safety at work at A.C. Pisa 1909 and the areas at risk of crime.

A.C. Pisa 1909 is strongly sensitive to the issue of safety at work and intends to adopt all the necessary measures to prevent the occurrence of the crimes provided for and punished by Articles 589 and 590 of the C.C.

The risk of committing manslaughter or serious or very serious injury with violation of the rules on protection and safety at work is **medium**.

For the first group of crimes indicated above, the areas at risk are:

- administration (which may be involved in the commission of the crimes referred to above if it fails, with a view to saving costs, to take all appropriate measures to avoid the occurrence of accidents at work);
- the management of health and safety requirements for plants and workplaces.

A.C. Pisa 1909 strives to promote the activity of information and training of workers, which is carried out punctually in order to implement, in the broadest and most complete way possible, the compliance with the legislation on health and safety at work.
The Administration and the SB follow with particular attention the activities that have been contracted out to external parties, who must be equipped with specific and proven experience in the field of safety at work and must carry out their activities ensuring the utmost respect for the legislation on safety at work.

2) General principles of conduct.

The following general provisions apply to the employer, the managers, the supervisors, the workers, the person in charge of the prevention and protection service, the safety representative, the competent doctor, the first aid officers and the emergency workers in case of fire, all employed by A.C. Pisa 1909, as well as to consultants, suppliers and partners by virtue of specific contractual

clauses.

In particular, the employer and all persons having duties, powers and/or responsibilities in the management of the fulfilment of the requirements of the accident prevention regulations and the protection of hygiene and health at work must ensure:

- the definition of objectives for the safety and health of workers and the continuous identification of risks;
- an adequate level of information/training of employees and suppliers/contractors, on the health and safety management system defined by A.C. Pisa 1909 and on the consequences of non-compliance with the law and the rules of conduct and control defined by the club;
- the definition and updating (on the basis of changes in the organisational and operational structure of the club) of specific procedures for the prevention of accidents and illnesses, which regulate, among other things, the methods of management of accidents and emergencies, as well as risk/danger signals;
- the suitability of the human resources - in terms of number and professional qualifications, training and materials - necessary to achieve the club's objectives for the safety and health of workers;
- ordinary and extraordinary maintenance of instruments, plants and, in general, corporate structures. In general, all the persons identified above must comply with the obligations laid down in Legislative Decree 81/2008 ("Consolidated Safety Act") and in current legislation on health and safety at work, as well as with the provisions defined by the club, in order to preserve the health and safety of workers and promptly notify the structures identified and, in the manner, defined in corporate procedures.

It is also expressly forbidden for all employees and collaborators of the club to:

- initiating, collaborating in or causing conduct which, taken individually or collectively, directly or indirectly constitutes one of the crimes considered above (Article 25-septies of Legislative Decree No. 231/2001);
- implementing or causing violations of the behavioural principles and corporate procedures adopted in the field of safety at work.

3) Specific rules of conduct.

To supplement and specify the rules of conduct set out above, a number of corporate procedures and rules have been formalised to prevent crimes from being committed.

In particular:

- **Procedure no. 1:** awarding of a contract to an external party for the adoption of all prevention measures that may meet the requirements of Article 30 of Legislative Decree no. 81/2008.

4) Checks by the Supervisory Body.

The SB carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules set out in the Model.

To this end, the SB is guaranteed autonomous powers of initiative and control, as well as free access to all relevant corporate documentation.

The SB may also intervene following reports received.

In view of the high degree of specialisation required for inspections in the field of safety at work, the SB may use an external consultant to check the effectiveness of the preventive measures adopted by A.C. Pisa 1909.

ANNEX VI Crimes of money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering and organised crime

In this Annex two groups of crimes are included, both because they are often connected and because by adopting common procedures, it is possible to avoid the commission of both categories of crimes.

These are the crimes of receiving, laundering and using money, goods or benefits of unlawful origin, as well as self-laundering and organised crime.

A) Article 25-octies of Legislative Decree no. 231/2001 includes among the predicate offences the crimes of receiving, laundering and using money, goods or benefits of unlawful origin, as well as self-laundering.

In particular, the predicate offences – all provided for and governed by the Criminal Code – are:

- Art. 648 - receiving stolen goods;
- Art. 648-bis - money laundering;
- Art. 648-ter - use of money, goods or benefits of unlawful origin;
- Art. 648-ter.1 – self-laundering.

The Legislative Decree of 16 November 2007 introduced Article 25-octies into Legislative Decree no. 231/2001, thus providing for the administrative liability of the institution for the crimes of receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin.

The crime of receiving stolen goods occurs when someone *"in order to obtain for himself or for others a profit, purchases, receives or hides money or things coming from any crime, or in any case intervenes in having them acquired, received or hidden"*.

The crime of money laundering occurs when one *"replaces or transfers money, goods or other benefits resulting from a non-culpable crime, that is"* carries out *"in relation to them other transactions, so as to hinder the identification of their criminal origin"*.

The crime of use of money, goods or benefits of unlawful origin occurs when *"anyone, except for cases of complicity in the crime and the cases provided for in Articles 648 and 648-bis, uses money, goods or other benefits resulting from a crime in economic or financial activities"*.

The difference between receipt of stolen goods and money laundering lies, first of all, in the subjective profile: receipt of stolen goods requires specific intent, understood as the specific purpose of the profit or advantage, whereas money laundering requires general intent.

Therefore, in terms of conduct, the crime of money laundering consists not only in the replacement or transfer of money, goods or benefits deriving from a crime, but also in placing obstacles in the way of the identification of the criminal origin of such goods or benefits.

This activity constitutes something more than the purchase, receipt or concealment, which, on the

other hand, characterise the material element of the crime of receiving stolen goods.

Therefore, in the case of receiving stolen goods, the agent "merely" receives the proceeds of a crime to obtain a patrimonial advantage; in the case of money laundering, he does so in order to counteract the traceability of the source.

Lastly, the crime of self-laundering was included by Law no. 186 of 15 December 2014 as a predicate offence in Article 25-octies of Legislative Decree no. 231/2001.

As already pointed out above, there is criminal relevance for the purposes of the crime of money laundering, pursuant to Article 648-bis of the C.C., of the crime carried out by a person other than the perpetrator or participant in the predicate offence.

On the other hand, a person who directly conceals the proceeds of a crime that he himself has committed or conspired to commit (so-called self-laundering) will be punishable under the new Article 648-ter.1 of the C.C.

The typical conduct of the crime takes place according to three different factual models: substitution, transfer and use in economic or financial activities.

The determination of the punishable conduct is limited to those behaviours which, although not necessarily artificial in themselves (i.e. integrating extremes which can be referred to the archetype of artifice and deception), express a deceptive content, that is capable of making it objectively difficult to identify the criminal origin of the asset.

Therefore, the crime under consideration will be committed if the following three circumstances exist at the same time:

1) a stock consisting of money, goods or other benefits is created or helped to be created, through a first crime, the predicate offence;

2) the aforementioned stock is used, through further and independent conduct, in entrepreneurial, economic and financial activities;

3) a concrete obstacle is created to the identification of the criminal origin of the aforementioned funds.

Finally, with regard to the subjective element, the crime of self-laundering is punishable as a crime of general intent, which consists in the consciousness and will to carry out the replacement, transfer or other operations concerning money, goods or other utilities, together with the awareness of the suitability of the conduct to create an obstacle to the identification of such origin.

B) Article 24-ter of Legislative Decree No. 231/2001 includes organised crime among the predicate offences.

Law no. 94 of 15 July 2009 ("*Provisions on public security*") extended, with the introduction of Article 24-ter of Legislative Decree 231/2001, the administrative liability of institutions to crimes

dependent on organised crime committed in the territory of the State, even though they do not have the transnationality requirement.

In particular the predicate offences are:

- Criminal association (Article 416 C.C.)
- Crimes of A) for the purpose of reducing or maintaining persons in slavery, trafficking in persons, the purchase and sale of slaves and crimes relating to violations of the provisions on illegal immigration set out in Article 12 of Legislative Decree no. 286/1998 (Article 416, clause 6 C.C.)
- *Mafia*-type associations, including foreign ones (Article 416-bis of the C.C.)
- Political-*mafia* electoral exchange (Article 416-ter of the C.C.)
- Kidnapping for the purpose of extortion (Article 630 of the C.C.)
- Criminal association for the purpose of trafficking in narcotic or psychotropic substances (Article 74 of Presidential Decree 309/90)
- Crimes relating to the manufacture and trafficking of war weapons, explosives and clandestine weapons (Article 407, clause 2, letter a, no.5 C.C.P.)

Pursuant to Article 24-ter of Decree 231, the liability of the institution may arise from crimes of association (Articles 416 and 416-bis of the C.C.) and from crimes committed using the *mafia* method or in order to facilitate the activities of the criminal or *mafia* association.

With reference to crimes of association, Article 416 of the C.C. punishes those who promote, constitute or organise the association with a view to committing several crimes.

Even the mere fact of participating in the association constitutes a crime.

The criminal relevance of the conduct described by the provision appears to be conditioned by the actual establishment of the criminal association.

As a matter of fact, even before referring to the individual conducts of promotion, establishment, management, organisation or simple participation, the provision makes their punishability conditional on the moment in which "three or more persons" actually associate to commit several crimes.

The crime of criminal association is therefore characterised by the autonomy of the incrimination with respect to any crimes subsequently committed in implementation of the *pactum sceleris*.

These crimes, if any, are concurrent with the crime of criminal association and, if not committed, leave the crime provided for by Article 416 of the C.C. in place.

Pursuant to Article 416-bis of the C.C., an association is considered to be of a *mafia* type when its members use the intimidating force of the association and the resulting condition of subjugation and silence to commit crimes, to acquire directly or indirectly the management or control of economic activities, concessions, authorisations, contracts and public services or to obtain unjust profits or advantages for themselves or others, or in order to prevent or obstruct the free exercise of the vote or to procure votes for themselves or others in elections.

This crime is characterised for the use, by the associates, of intimidating force and, on the passive side, for the condition of subjugation and silence, both outside and inside the association.

As far as Decree 231, all this will however take the form of conducts which are in the interest of, or objectively advantageous to, the institution in question.

It should also be noted that the institution may also be liable in the case of so-called "external complicity" in the crime of association, that is, when the senior or subordinate person provides support to the *mafia*-type association even though he or she does not take part in the criminal association.

With particular reference to the crime of association for the purpose of illegal drug trafficking (Article 74 of Presidential Decree No. 309 of 9 October 1990), it should be noted that this is a crime which is rarely committed in the interest or to the advantage of the institution.

The group of crimes analysed here also includes the crimes of aiding and abetting and inducing people not to make statements or to make false statements to the Judicial Authorities.

The crime of aiding and abetting (Article 378 of the Criminal Code) occurs when someone, after committing a crime and apart from cases of complicity, helps the offender to evade the investigations of the Authorities.

The conduct consists in aiding and abetting, understood as any attitude, positive or negative, which aims at hindering or rendering vain the investigations of the Authorities.

The crime of inducing a person not to make statements or to make false statements to the Judicial Authorities, which is a predicate offence also included in Article 25-decies of Legislative Decree no. 231/2001, occurs when *"anyone who, by means of violence or threats, or by offering or promising money or other benefits, induces a person called upon to make before the Judicial Authorities statements which may be used in criminal proceedings, not to make statements or to make false statements, when such person has the right not to answer".*

The criminal law under examination aims at avoiding the possible exploitation of the right not to answer, granted to suspects and defendants, as well as to so-called suspects/defendants in related proceedings, to close relatives and to witnesses (in the case of so-called self-incrimination), in accordance with the principle of *"nemo tenetur se detegere"*, also with a view to protecting the proper conduct of proceedings against any undue interference.

This is a subsidiary rule, which applies only where the fact actually carried out does not constitute a

more serious crime.

This crime is characterised by a general intent, consisting in the consciousness and intention to induce, as a result of violence or threat to the person entitled not to answer or the offer or promise of money or other benefits to the latter, not to make statements or to make false statements to the Judicial Authorities (Judge or Public Prosecutor).

The recipients of the conduct are, therefore, witnesses, suspects and defendants (including in related proceedings or in a connected crime), who are entitled by law not to answer.

As regards the typical ways in which the conduct is carried out, the induction relevant to the commission of the crime takes place through the action by which a person exerts an influence on the mind of another individual, determining him to behave in a certain way, carried out through the means exhaustively indicated by the provision, namely threats, violence or the promise of money or other benefits.

In addition, for the constituent elements of the crime to be realised, the following is required:

the induced person did not make statements or made false statements in the same proceedings;

- the induced person, by the means indicated in the provision, not to make statements or to make them untrue, had the right to remain silent.

Political-*mafia* electoral exchange (Article 416-ter of the C.C.) punishes anyone who obtains the promise of votes by means of the methods referred to in the third paragraph of Article 416-bis, in exchange for the provision or promise of provision of money or other benefits. The same punishment applies to the person promising to procure votes. Following the "Amendment of Article 416-ter of the Criminal Code concerning political-*mafia* vote-swapping", a provision referred to in Article 24-ter of Legislative Decree no. 231/2001, by Article 1, clause 1 of Law no. 43 of 21 May 2019, the new text of Art. 416 ter C.C. also extends punishability to "those who promise, directly or through intermediaries, to procure votes" by means of persons belonging to a *mafia* association and introduces the accessory sanction of perpetual disqualification from public office. The reform also introduces an aggravating circumstance for politicians who are elected as a result of vote-swapping.

1) Extent of risk of committing the crimes of receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as of organised crime at A.C. Pisa 1909 and areas at risk of crimes.

The risk of committing the crimes of receiving stolen goods, money laundering, use of money, goods or utilities of unlawful origin and self-laundering, as well as of organised crime is **medium**.

The risk of committing the crime of inducement not to make statements or to make false statements to the Judicial Authorities is **high**.

For the first group of crimes indicated above, the areas at risk are:

- supply of goods and services;
- sponsorships;
- treasury management;
- investment management;
- management of expenses reimbursement to employees and collaborators;
- granting gifts and gratuities, including admission tickets to sporting events.

For the crime envisaged and punished by Article 377 bis of the C.C., the area at risk is the area of litigation management.

2) General principles of conduct.

The following prohibitions are of a general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.
Their violation will be sanctioned as provided for in the Disciplinary System, which is a constituent part of the Organizational Model.

All the aforementioned collaborators of the football club are prohibited from engaging in, contributing to or causing conduct which, taken individually or collectively, directly or indirectly constitutes one of the crimes listed in Article 25-octies of Legislative Decree No. 231/2001.

Violations of the corporate procedures indicated in this Special Part are also prohibited and sanctioned.

Therefore, the above-mentioned persons are prohibited from:

- issuing and using bank and postal cheque in free form instead of those with a non-transferability clause;
- issuing bank and postal cheques for amounts of € 5,000 or more that do not bear the name or company name of the payee and the non-transferability clause;
- endorsing for collection bank and postal cheques issued to the order of the drawer if not in favour of a bank or *Poste Italiane S.p.A*;
- transferring cash through payment service providers in the form of collection and transfer of funds;
- transferring money in respect of which there is not full coincidence between the recipients/ orderers of the payments and the counterparties actually involved in the transactions;
- opening, in any form, accounts or savings books anonymously or in fictitious names and to use those that may have been opened in foreign countries;

- making international transfers which do not bear the indication of the counterparty;
- offering goods, money or other benefits to all those who are called upon to make statements before the Judicial Authority in a case in which A.C. Pisa 1909 or a collaborator of the aforementioned Club is a party for facts related to the exercise of his office.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular:

- **Procedure no. 1**: for the **conclusion of a contract of tender and supply**, the supplier is required to provide a written attestation and commitment to comply with the social security, welfare and insurance rules in favour of its employees and collaborators, with the obligations of financial traceability, as well as the absence of provision against the Institution or its top management for crimes provided for and sanctioned by Legislative Decree no. 231/2001;
- **Procedure no. 2**: **the organisation that uses foreigners** for its activities (footballers) should check, before making use of them, that they are in possession of the permits and authorisations necessary for their stay in Italy; the Club, moreover, when it has to send personnel abroad should assist the collaborator in acquiring the said documentation (work visas, etc.);
- **Procedure no. 3**: **before entering into a contract with suppliers of goods and services**, prejudicial public data (bankruptcy procedures, protests, etc.) are checked by sampling, and, in addition, the existence of anomaly indicators pursuant to Article 41, paragraph 2, of Legislative Decree no. 231/2007 (anti-money laundering) is verified;
- **Procedure no. 4**: A.C. Pisa 1909 has an internal legal department that deals directly with litigation, but there is specific regulation of the appointment of **external lawyers**;
- **Procedure no. 5**: for the activities in which A.C. Pisa 1909 acts as concessionaire of the Municipal Stadium, it must request an *antimafia* certificate and must provide in the contract for the supply of goods or services the express termination clause in the event of loss of the *antimafia* certificate.

4) Checks by the Supervisory Body.

The SB carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules of the model.

To this end, the SB is guaranteed autonomous powers of initiative and control and free access to all relevant corporate documentation.

The SB may also intervene following reports received.

ANNEX VII Environmental crimes

Article 25-*undecies*, concerning environmental crimes, was introduced into the scope of Legislative Decree no. 231/2001, in implementation of EU obligations arising from Directive 2008/99/EC on the protection of the environment through criminal law.

Lastly, it should be noted that Law no. 68 of 22 May 2015, entitled "*Provisions on crimes against the environment"*, introduced into the legal system new environmental crimes in the form of a crime.

The novelty is linked to what is required by the European Union Directive 2008/99/EC of 19 November 2008 on the protection of the environment through criminal law, the Preamble of (Art. 5) specifies that *"activities damaging the environment, which generally cause or are likely to cause a significant deterioration in the quality of the air, including the stratosphere, soil, water, fauna and flora, including the conservation of species require criminal sanctions with greater dissuasiveness".*

In particular, the aforementioned Law introduced into the Criminal Code Title VI-bis, dedicated to crimes against the environment, providing for new crimes and amended (see Article 8, Law no. 68/2015) Article 25-*undecies* of Legislative Decree no. 231/2001, in order to incorporate new cases among the predicate offences, namely:

- Art. 452-*bis*, C.C., *"Environmental pollution"*;
- Art. 452-*quater*, C.C., *"Environmental disaster"*;
- Art. 452-*quinquies*, C.C., *"Culpable crimes against the environment"*
- Art. 452-*sexies*, C.C., "*Trafficking in and abandonment of highly radioactive material"*;
- Art. 452-*octies*, C.C., *"Aggravating circumstances"* and

changed certain predicate offences already provided for in Article 25-*undecies* of Legislative Decree no. 231/01:

- Art. 257, LD 152/2006, "*Site remediation*";
- Art. 260, LD 152/2006, "*Organised activities for illegal trafficking of waste"*.

Below is a complete list of the environmental crimes currently provided for in Article 25-undecies of Legislative Decree no. 231/2001:

- Environmental pollution - Art. 452-bis C.C.

  This crime punishes anyone who, in breach of legislative, regulatory or administrative provisions specifically designed to protect the environment and whose failure to comply constitutes an administrative or crime in itself, causes significant damage or deterioration to: water or air or extensive or significant portions of the soil or subsoil; to an ecosystem, to biodiversity, including agricultural biodiversity, to flora or fauna. The crime provides for an

aggravating circumstance where the pollution is produced in a protected natural area or one subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or in damage to protected animal or plant species.

- Environmental disaster - Art. 452-quater C.C.

  This crime is committed when: the balance of an ecosystem is irreversibly altered; the balance of an ecosystem is altered in a reversible manner but in a particularly onerous way that can only be achieved by means of exceptional measures; public safety is offended due to the importance of the act in terms of the extent to which it is compromised or its harmful effects or the number of people affected or exposed to danger.

- Culpable crimes against the environment - Art. 452-quinquies C.C.

  This crime occurs when this type of crimes referred to in Articles 452-bis and 452-quater C.C. are punishable as a result of negligence.

- Trafficking in and abandonment of highly radioactive material - Article 452-sexies C.C.

  This crime occurs when anyone unlawfully sells, purchases, receives, transports, imports, exports, procures for others, holds, transfers, abandons or disposes of high-level radioactive material.

- Aggravating circumstances relating to association crimes - Article 452-octies C.C.

  The aggravating circumstance occurs when: a criminal association pursuant to Art. 416 C.C. is directed, exclusively or concurrently, to the purpose of committing one of the above-mentioned environmental crimes (Art. 452-bis, 452-quater, 452-quinquies, 452-sexies C.C.); a *mafia*-type association ex Art. 416-bis C.C. is aimed at committing one of the above-mentioned environmental crimes (articles 452-bis, 452-quater, 452-quinquies, 452-sexies C.C.) or the acquisition of the management or control of economic activities, concessions, authorisations, contracts or public services in the environmental field; Public Officials or Public Service Appointees who perform functions or carry out services in the environmental field are part of the association under Article 416 or 416-bis C.C.

- Killing, destroying, capturing, taking, keeping of specimens of protected wild species of animals or plants - Art. 727-bis C.C.

  This crime is committed by any person who, except where the act constitutes a more serious crime - out of permitted cases - kills, captures or holds specimens belonging to a protected wild animal species, except where the action concerns a negligible quantity of such specimens and has a negligible impact on the conservation status of the species. Similarly, the crime is committed if anyone destroys, takes or holds specimens belonging to a protected wild plant species out of permitted cases. Protected wild animal or plant species are those listed in Annex IV to Directive 92/43/EC and Annex I to Directive 2009/147/EC.

- Destruction or deterioration of a habitat within a protected site - Art. 733-bis C.C.

  This crime occurs when anyone, out of permitted cases, destroys a habitat within a protected site or in any case deteriorates it, thus compromising its state of conservation. A habitat within a protected site is any habitat of species for which a site is designated as a special protection area under Article 4(1) or (2) of Directive 2009/147/EC or any natural habitat or habitat of species for which a site is designated as a special area of conservation under Article 4(4) of Directive 92/43/EC.

- Crimes relating to the discharge of industrial waste water - Article 137 of Legislative Decree no. 152/2006 as amended.

  This crime occurs where: new industrial waste water containing dangerous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 is discharged or, in any case, is discharged without authorisation, or where such discharges are continued or maintained after the authorisation has been suspended or revoked (Article 137, clause 2); industrial waste water containing dangerous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to Part Three, without complying with the requirements of the authorisation or other requirements of the competent authority pursuant to Article 107, clause 1, and Article 108, clause 4 (Article 137, clause 3); when discharging industrial waste water, in relation to substances set out in table 5 of Annex 5, to Part Three, the values fixed in Table 3 are exceeded or, in the case of discharges on land, in table 4 of Annex 5 to Part Three, or the more restrictive limits set by the regions or autonomous provinces or by the competent Authorities pursuant to Article 107, clause 1, in other words if the limit values established for the substances contained in table 3/A are exceeded (Art. 137, clause 5); the prohibitions on discharges on the soil or in the surface layers, subsoil and groundwater provided for by articles 103 and 104 of the decree are not observed (Art. 137, clause 11); ships and aircrafts discharge into the sea substances or materials for which a total ban on spills is imposed, pursuant to the provisions contained in the relevant international conventions in force and ratified by Italy (article 137, clause 13).

- Crimes related to unauthorised waste management - Art. 256 LD no. 152/2006.

  This crime is committed if activities of collection, transport, recovery, disposal, trade and intermediation of waste (hazardous and non-dangerous) are carried out without the prescribed authorisation, registration or communication (Article 256, clause 1, letters a), b) or in the event of failure to comply with the requirements contained in or referred to in the authorisations, as well as in the event of failure to meet the requirements and conditions required for registrations or communications (Article 256, clause 4); setting up or managing an unauthorised waste dump (Article 256, clause 3) or in the event of failure to comply with the requirements contained in or referred to in authorisations, as well as in the event of failure to meet the requirements and conditions required for registrations or communications (Article 256, clause 4). The unlawful conduct of creating and managing an unauthorised landfill exists where the conduct of accumulating a significant quantity of waste in an area is

repeated over time and results in the deterioration of the area itself; where the unauthorised mixing of waste is carried out, for example waste having different hazardous characteristics or hazardous waste with non-dangerous waste (Article 256, clause 5); where the rules on the temporary storage of hazardous medical waste pursuant to Presidential Decree 254/2003 are violated (Article 256, clause 6, first sentence).

- Crimes relating to the reclamation of polluted sites - Article 257, paragraphs 1 and 2 of Legislative Decree no. 152/2006 as amended.

  This crime is committed if: pollution of the soil, subsoil, surface water or groundwater is caused by exceeding the risk threshold concentrations, by failing to carry out reclamation in accordance with the project approved by the competent Authorities under the procedure referred to in Articles 242 et seq. of Legislative Decree no. 152/2006 and subsequent amendments and integrations; the communication referred to in Article 242 of Legislative Decree no. 152/2006 and subsequent amendments and integrations is not made.

- Violation of the obligations to communicate, to keep compulsory registers and forms - Article 258, clause 4, sentence 2 of Legislative Decree no. 152/2006

  This crime is committed if a waste analysis certificate giving false information on the nature, composition and chemical and physical characteristics of the waste is prepared and a false certificate is used during transport.

- Illegal waste trafficking - Art. 259 clause 1 LD no. 152/2006.

  This crime is committed when a cross-border shipment of waste constitutes illegal trafficking in violation of applicable EC Regulations.

- Organised activities for the illegal trafficking of waste - Article 260 of LD no. 152/2006.

  This crime occurs when: in order to obtain an unjust profit, by means of several operations and through the preparation of means and continuous organised activities, one sells, receives, transports, exports, imports, or in any case illegally manages large quantities of waste (Art. 260, paragraph 1, LD no. 152/2006); the above conduct concerns highly radioactive waste (Article 260, paragraph 2, LD no. 152/2006); the institution or one of its organisational units are permanently used for the sole or predominant purpose of enabling or facilitating the commission of the crimes referred to above.

- Computer system for controlling the traceability of waste - Article 260-bis of LD no. 152/2006.

- This crime is committed if: within the scope of the waste traceability control system (SISTRI), a waste analysis certificate is prepared containing false information on the nature, composition and chemical/physical characteristics of the waste or a false certificate is included in the data to be provided for waste traceability purposes (article 260-bis, paragraph 6); the transport of hazardous waste is not accompanied by a hard copy of the SISTRI -

MOVEMENT AREA form and, where necessary on the basis of current legislation, by a copy of the analytical certificate identifying the characteristics of the waste (article 260-bis, paragraph 7, second sentence); the transport of waste subject to SISTRI is accompanied by a waste analysis certificate containing false information on the nature, composition and chemical-physical characteristics of the waste transported (article 260-bis, paragraph 7, sentence III); the transport of non-hazardous and hazardous waste is accompanied by a paper copy of the SISTRI - MOVEMENT AREA form that has been fraudulently altered (article 260-bis, paragraph 8).

- Crimes relating to emissions into the atmosphere - Article 279 of LD no. 152/2006.

  This crime occurs where, in the operation of a plant, the emission limit values or requirements laid down by the authorisation, in Annexes I, II, III or V to Part Five of LD no. 152/2006, in the plans and programmes or in the regulations referred to in Article 271 of the decree or in the requirements otherwise imposed by the competent Authorities are breached, exceeding the air quality limit values laid down by current legislation.

- Crimes relating to the protection of endangered animal and plant species - Law no. 150/1992

  This crime occurs if: anyone, in breach of the provisions of Regulation (EC) No 338/97 for specimens belonging to species listed in Annex A of the Regulation: a) imports, exports or re-exports specimens, under any customs procedure, without the required certificate or permit, or with an invalid certificate or permit; b) fails to observe the requirements for the safety of specimens specified in a permit or certificate issued in accordance with Regulation (EC) No 338/97 and Regulation (EC) No 939/97; c) uses such specimens in a manner contrary to the prescriptions contained in the authorisation or certification measures; d) transports or transits, also on behalf of third parties, specimens without the prescribed permit or certificate issued in accordance with Regulation (EC) No. 338/97 and Regulation (EC) No. 939/97; e) trades in artificially propagated plants contrary to the prescriptions established on the basis of Article 7, paragraph 1, letter b), of Regulation (EC) no. 338/97 and Regulation (EC) no. 939/97; f) possesses, uses for profit, buys, sells, displays or holds for sale or for commercial purposes, offers for sale or in any case disposes of specimens without the prescribed documentation; whoever, in violation of the provisions of Regulation (EC) no. 338/97, for specimens belonging to species listed in Annexes B and C of the Regulation: a) imports, exports or re-exports specimens, under any customs procedure, without the required certificate or permit; b) fails to observe the requirements for the safety of specimens specified in a permit or certificate issued in accordance with Regulation (EC) No 338/97 and Regulation (EC) No 939/97; c) uses such specimens in a way that does not comply with the requirements contained in the permits or certificates issued together with the import permit or subsequently certified; d) transports or allows specimens to pass through, including on behalf of third parties, without a prescribed permit or certificate; e) trades in artificially propagated plants contrary to the requirements laid down on the basis of Article 7, clause 1, letter b of Regulation (EC) No 338/97 and Regulation (EC) No 939/97; f)

holds, uses for profit, buys, sells, exhibits or holds for sale or for commercial purposes, offers for sale or in any case disposes of specimens without the prescribed documentation. (Art. 2, clause 1); in case of recidivism in the above behaviours; whoever contravenes the provisions of clause 1 of Art. 6 ("without prejudice to what is provided for by law no. 157 of 11 February 1992, it is forbidden for anyone to hold live specimens of mammals and reptiles of wild species and live specimens of mammals and reptiles coming from reproductions in captivity that constitute a danger for public health and safety (Art. 6, clause 4 L 150/92)"); anyone who introduces specimens into the EU or exports or re-exports them from the EU with a forged, falsified or invalid certificate or permit, or one which has been altered without the authorisation of the issuing body (Article 16, clause 1, Regulation EC 338/97, letter a); anyone who makes a false statement or knowingly provides false information in order to obtain a licence or certificate (Art. 16, clause 1, Regulation EC 338/97, letter c); Any person who uses a false, falsified or invalid permit or certificate, or one which has been altered without authorisation, as a means of obtaining a Community permit or certificate or for any other purpose relevant to this Regulation (Art. 16, clause 1 Regulation EC 338/97 letter d); any person who omits or falsifies an import notification (Art. 16, clause 1 Regulation EC 338/97 letter e); any person who falsifies or alters any permit or certificate issued in accordance with the Regulation (Art. 16, clause 1 Regulation EC 338/97 letter l).

- Crimes relating to the protection of stratospheric ozone and the environment - Law No. 549 of 28 December 1993;

  This crime occurs when the provisions on production, consumption, import, export, possession and marketing of harmful substances set out in the current (EC) regulations are violated.

- Pollution caused by ships - Art. 8 and 9 LD no. 202/2007.

  This crime occurs in case of: intentional spillage of pollutants into the sea or caused spillage of pollutants (Art. 8 clause 1); unintentional spillage of pollutants into the sea or caused spillage of pollutants (Art. 9 clause 1); intentional spillage of pollutants into the sea or caused spillage of pollutants that caused permanent or particularly serious damage to the quality of the water, to animal or vegetable species or to parts of them (Art. 8 clause 2); negligent spillage of polluting substances into the sea or caused spillage of the same that caused permanent or particularly serious damage to the quality of the water, to animal or vegetable species or to parts of them (Art. 9 clause 2).

Lastly, mention should be made of crimes of association aggravated by the fact that they are aimed at committing environmental crimes (Article 452-octies C.C.).

The provision in question punishes: the criminal association referred to in Article 416 C.C. and Article 416 bis C.C. aimed, exclusively or concurrently, at committing the environmental crimes provided for under Title VI-bis C.C. (that is one of the four crimes referred to above) in other words to acquire management or control of economic activities, concessions, authorisations, contracts or

public services in the environmental field. If the above-mentioned associations include Public Officials or Public Service Appointees who perform functions or carry out services in the environmental field, the penalties are increased.

1) Extent of risk of committing environmental crimes at A.C. Pisa 1909 and areas at risk of crime.

The risk of committing environmental crimes is **low**.

This because A.C. Pisa 1909 is not involved in the production of goods.

Therefore, the only areas where any of the above crimes may occur are the following:

- sanitary area (with regard to medical waste);
- transport of footballers (company vehicles).

2) General principles of conduct.

The following prohibitions are of a general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided for by the Disciplinary System, which is a constitutive part of the Organisational Model.

All the aforementioned collaborators of the football club are forbidden from carrying out, contributing to or causing behaviours that, taken individually or collectively, integrate, directly or indirectly, cases falling within those indicated in Art. 25-undecies of Legislative Decree 231/2001.

Therefore, the above-mentioned subjects shall treat solid urban waste according to the indications given by the Municipality of Pisa and, moreover, shall:

- behave correctly and transparently, in compliance with the law, with the limits of the environmental authorisations received and any prescriptions, as well as with internal corporate procedures, in all activities concerning the management of medical, hazardous and non-hazardous waste, as well as the management of oils from corporate vehicles;
- pay particular attention in the selection of the suppliers entrusted with the collection and transport of waste (that is those who produce waste during their activities carried out at A.C. Pisa 1909 sites) - to their reliability and ascertain that they possess the requirements. If the football club is the producer of the waste, it is necessary to check the authorisations for the transporter and the disposer, according to what is required by the legislation in force (transport authorisation, verification that the vehicles are authorised for the specific CER code, authorisation of the recipient plant for the specific CER code, obtaining the fourth copy of the form).

Moreover, the above-mentioned subjects are forbidden, by way of example only:

- present or prepare, also in collaboration with third parties, false certificates of waste analysis;
- should the need arise to apply for authorisations for the treatment of waste, exceed the limits allowed, in terms of time and quantity, for the temporary storage of medical waste or other waste;
- should A.C. Pisa 1909 be subject to inspections and audits, adopt behaviours aimed at unduly influencing, in the interest of the Club, the judgement/opinion of the Control Bodies.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent crimes from being committed.

In particular:

- **Procedure no. 1:** for **the sanitary area,** it is expected that all the waste produced will be placed in the appropriate containers provided by the company awarded the contract to manage the collection and disposal of this waste**;**
- **Procedure no. 2:** for corporate vehicles, the company contracted to maintain the company vehicles must sign a commitment to comply with environmental laws regarding used oil.

4) Checks by the Supervisory Body.

The SB carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules set out in the Model.

To this end, the Supervisory Body is guaranteed autonomous powers of initiative and control, as well as free access to all relevant corporate documentation.

ANNEX VIII Counterfeiting of payment instruments and crimes against industry and trade

In this Annex two groups of crimes are taken into consideration:

- those referred to in Article 25 bis of LD no. 231/2001 relating to counterfeiting currencies, public credit cards, revenue stamps and instruments or signs of recognition;
- those referred to in Article 25 bis.1 of LD no. 231/2001 relating to crimes against industry and trade.

Below is a brief description of the individual cases covered by Article 25-bis of LD 231/2001:

- Counterfeiting of currencies, spending and introduction into the State, with previous agreement, of counterfeited currencies – Article 453 C.C.

  This crime occurs when a person counterfeits national or foreign currency, which is legal tender in the State or outside it, or alters in any way genuine currency; or when, in concert with the person who has executed it or with an intermediary, he introduces into the territory of the State or holds or spends or otherwise puts into circulation counterfeited or altered currency; or when he purchases or otherwise receives from the person who has counterfeited it, or from an intermediary, counterfeited or altered currency.

- Alteration of currencies - Article 454 C.C.

  This crime occurs when a person alters currencies of the quality indicated in the preceding article, in any way diminishing their value, or purchases or in any case receives currencies from the person who has altered them.

- Spending and introduction into the State, without agreement, of counterfeited currency - Article 455 C.C.

  Apart from the cases provided for in the two previous articles, this crime occurs when a person introduces into the territory of the State, purchases or holds counterfeited or altered currency, in order to put it into circulation, or spends it or otherwise puts it into circulation.

- Spending of counterfeited currencies received in good faith – Article 457 C.C.

  This crime occurs when a person spends or otherwise puts into circulation counterfeited or altered currency received in good faith.

- Counterfeiting of revenue stamps, introduction into the State, purchase, possession or circulation of counterfeited revenue stamps - Article 459 C.C.

  The provisions of Articles 453, 455 and 457 shall also apply to the counterfeiting or alteration of revenue stamps and to the introduction into the territory of the State, or to the purchase, holding or putting into circulation of counterfeited revenue stamps; but the penalties are reduced by one third compared to the aforementioned articles.

- Counterfeiting of watermarked paper used for the manufacture of public credit cards or

revenue stamps - Article 460 C.C.

This crime occurs when a person counterfeits watermarked paper used for the manufacture of public credit cards or revenue stamps, or purchases, holds or sells such counterfeited paper.

- Manufacture or possession of watermarks or instruments intended for the forgery of currencies, revenue stamps or watermarked paper - Article 461 C.C.

  This crime occurs when a person manufactures, acquires, holds or disposes of watermarks, computer programs, holograms, other currency components or instruments intended exclusively for counterfeiting or altering currency, revenue stamps or watermarked paper.

- Use of counterfeited or altered revenue stamps - Article 464 C.C.

  This crime occurs when a person, not having taken part in the counterfeiting or alteration, uses counterfeited or altered revenue stamps.

- Counterfeiting, alteration or use of distinctive signs of original works or industrial products and counterfeiting, alteration or use of trademarks or distinctive signs or of patents, models and designs - Article 473 C.C.

  This crime occurs when anyone who, being aware of the existence of industrial property rights (patents, industrial designs or models, national or foreign), counterfeits or alters trademarks or distinctive signs, national or foreign, of industrial products, or anyone who makes use of such counterfeited or altered trademarks or signs.

- Introduction into the State and trade of products with false signs - Article 474 C.C.

  This crime occurs when industrial products with counterfeited or altered trademarks or other distinguishing signs, whether national or foreign, are introduced into the territory of the State in order to obtain a profit. Apart from the cases provided for in the two preceding articles, the crime occurs when a person introduces into the territory of the State, acquires or holds counterfeited or altered currency, in order to put it into circulation, or spends it or otherwise puts it into circulation.

Hereinafter, instead, the crimes as per articles 25 bis 1 of LD no. 231/01 are described:

- Disturbing freedom of industry and trade - Article 513 C.C.

  The crime under consideration punishes anyone who uses violence against things or fraudulent means to prevent or disrupt the exercise of industry or trade. The law, as a subsidiary provision, was introduced in order to ensure the normal exercise of industrial or commercial activities carried out by private persons, as part of the national economic system.

- Unlawful competition with threats and violence - Article 513-bis C.C.

  This law punishes anyone who, in the exercise of a commercial, industrial or productive

business, carries out acts of competition with violence or threats. The legal asset protected by the law consists in the proper functioning of the entire economic system, in order to prevent the very prerequisites of fair competition from being jeopardised by violent or intimidating behaviour.

- Fraud against national industry - Article 514 C.C.

  The law punishes anyone who sells or otherwise puts into circulation, on domestic or foreign markets, industrial products with counterfeited or altered names, brands or distinctive signs, which cause damage to national industry. This is aimed at protecting the economic order and, more particularly, national production. The harm to the national industry may take the form of any type of injury, whether in the form of loss of profit or of consequential damage (that is, loss of business in Italy or abroad, loss of business, tarnishing of the good name of the industry in relation to the product in question or to fair trading).

- Fraud in the exercise of trade - Article 515 C.C.

  The crime punishes those who, in the exercise of a commercial activity, or in a shop open to the public, deliver to the purchaser a chattel for another, or a chattel which, by origin, source, quality or quantity, is different from that stated or agreed. The purpose of the rule is to guarantee the honesty and fairness of trade, with a view to protecting the public economy as well as private property interests.

- Sale of non-genuine foodstuffs as genuine - Article 516 C.C.

  The crime provides for a penalty for anyone who sells or otherwise markets as genuine, non-genuine foodstuffs. The purpose of this provision, which we might say is supplementary to the previous one, is to impose commercial conduct based on the principles of good faith and contractual fairness, thereby also indirectly protecting the health of purchasers.

- Sale of products with misleading signs - Article 517 C.C.

  This crime punishes anyone who offers for sale or otherwise puts into circulation original works or industrial products, with names, trademarks or distinctive national or foreign signs, designed to mislead the buyer as to the origin, source or quality of the work or product. Also in this case, the legislator penalises misleading conduct, carried out to the detriment of purchasers, which, however, also, and above all, affects the economy and competition between businesses.

- Manufacture and commerce of goods made by usurping industrial property rights - Art. 517-ter of the Criminal Code

  The law punishes the person who, being aware of the existence of an industrial property right, manufactures or industrially uses objects or other goods made by usurping an industrial property right or in violation thereof. The crime may be committed when the cases referred to in Articles 473 and 474 of the Criminal Code are excluded. The legal asset

protected by the provision relates to the right to exploit industrial property rights, that is trademarks and other distinctive signs, geographical indications, appellations of origin, designs and models, inventions, utility models, topographies of semi-conductor products, confidential business information. The conduct of "usurpation" occurs when the agent does not own any right to the thing and manufactures/markets the good anyway; on the other hand, there is "infringement of title" when the rules on the existence, scope and exercise of industrial property rights set out in Chapter II of the Industrial Property Code (Legislative Decree no. 30 of 10 February 2005) are not complied with.

- Counterfeiting of geographical indications or designations of origin of agri-food products - Article 517-quater C.C.

  The law punishes the counterfeiting or alteration of geographical indications or designations of origin of agri-food products; that is, the introduction into the territory of the State, the holding for sale, the offering for sale directly to consumers and the putting into circulation, for profit, of products with counterfeited indications or designations. The crimes in question are punishable provided that the provisions of internal laws, Community regulations and international conventions on the protection of geographical indications and designations of origin of agri-food products have been complied with.

1) Extent of risk of committing crimes of forgery of payment instruments and crimes against industry and trade at A.C. Pisa 1909 and the areas at risk of crime.

The risk of committing crimes of forgery of payment instruments is **low**.

This is because the direct sale of tickets and season tickets (which is the only time when the football club handles cash) is limited to the sale at the box office at the stadium, while sales outside the stadium (at premises such as tobacconists or online) are handled by a service company which is obliged, in return for payment, to take care of the “ticket and presale service for A.C. Pisa 1909”.

As far as stamps are concerned, they are acquired by the Administration for administrative purposes.

Therefore, the areas at risk are:

- ticket service at the stadium;
- Administration (for stamps).

The risk of crimes against industry and trade being committed is **low**. As a matter of fact, the club neither produces nor trades in goods, so it is impossible for the crimes in question to be committed.

2) General principles of conduct.

The following prohibitions are of a general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided for by the Disciplinary System, which is a constitutive

part of the Organisational Model.

All the aforementioned collaborators of the football club are prohibited from carrying out, contributing to or causing behaviours that, taken individually or collectively, directly or indirectly integrate cases falling under those indicated in Articles 25-bis and 25-bis of LD no. 231/2001; violations of the corporate procedures indicated in this Special Part are also prohibited and sanctioned.

Therefore, the above-mentioned subjects are prohibited from:

- using or even just introducing at the premises of A.C. Pisa 1909 forged or altered currencies;
- using or even only introducing at the premises of A.C. Pisa 1909 forged or altered stamped papers;
- in the case of production of goods bearing the club's trademark - even by specifically authorised third parties - giving untrue information to consumers on the products offered for sale.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular:

- **Procedure no. 1:** for the **box office at the stadium** each salesperson shall verify the authenticity of the banknotes by passing banknotes with a larger value through the safescan;
- **Procedure no. 2:** for the **box office at the stadium** if the salesperson becomes aware of the use of counterfeited banknotes, he/she must immediately inform the Box Office Manager;
- **Procedure no. 3:** the **pre-sale ticket office** company shall undertake to carry out checks on receipts to prevent the use of counterfeited banknotes.

4) Checks by the Supervisory Body.

The Supervisory Body carries out periodic spot checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules of the Model.

To this end, the SB is guaranteed autonomous powers of initiative and control and free access to all relevant corporate documentation.

The SB may also intervene following reports received.

For the contractual adjustments referred to in procedure 3, the competent office shall inform the Supervisory Body of its performance in preparing the document to be signed by the external company managing the pre-sales and of the fact that the agreement has been signed.

ANNEX IX Crimes related to the violation of copyright

Law no. 99 of 23 July 2009, setting out "Provisions for the development and internationalisation of enterprises and in the field of energy", known as the *"Legge Sviluppo-Energia"* (Energy-Development Law), in force since 15 August 2009, made a further addition to the body of legislation of Legislative Decree no. 231/2001, introducing Art. 25-novies, which extends the Institution's administrative liability to the crimes covered by Law 633/41 on the "protection of copyright and other rights related to its exercise", with specific reference to the provisions of the following articles: Article 171, clause 1, letter a-bis) and clause 3, Law 633/1941); Article 171-bis Law 633/1941; Article 171-ter Law 633/1941; Article 171-septies Law 633/1941; Article 171-octies Law 633/1941.

Below is a brief description of the crimes in question:

- Art. 171, clause 1, letter a-bis) and clause 3 (L. no. 633/1941)

  The law punishes the conduct of making available to the public, by entering a system of telematic networks and through connections of any kind, a protected intellectual work or part of it. This law protects the patrimonial interest of the author of the work, who may see his expectations of profit frustrated in the event of free circulation of his work on the network.

- Art. 171-bis (L. no. 633/1941)

  The law punishes whoever unlawfully duplicates, for the purpose of making a profit, computer programs or for the same purpose imports, distributes, sells, holds for commercial or entrepreneurial purposes or leases programs contained on devices not marked by the *SIAE*, Italian Society of Authors and Publishers; or whoever, in order to make a profit, on devices not marked by *SIAE* reproduces, transfers to another device, distributes, communicates, presents or demonstrates in public the contents of a database in breach of the provisions of Articles 64-quinquies and 64-sexies, or extracts or reuses the database in breach of the provisions of Articles 102-bis and 102-ter, or distributes, sells or leases a database. This law is intended to protect software and databases under criminal law. The term "software" refers to computer programs, in any form whatsoever, provided that they are original and the result of the author's intellectual creation; while "databases" refers to collections of works, data or other independent elements, systematically or methodically arranged and individually accessible by electronic means or otherwise.

- Art. 171-ter (L. no. 633/1941)

  This law is aimed at protecting a large number of original works, including those intended for the radio, television and film circuit, as well as musical, literary, scientific or educational works. The conditions of punishability concern the non-personal use of the original work and the specific intent to make a profit.

- Art. 171-septies (L. no. 633/1941)

  This law punishes producers or importers of media not subject to the marking referred to in

Article 181-bis, who do not communicate to the *SIAE* within thirty days from the date of placing on the market in the national territory or of importing, the data necessary for the unambiguous identification of the media; or whoever falsely declares that the obligations referred to in Article 181-bis, paragraph 2, of this law have been fulfilled. The provision in question is intended to protect the control functions of the *SIAE*, with a view to the anticipated protection of the copyright. It is therefore an obstruction crime that is committed by the mere breach of the communication obligation.

- Art. 171-octies (L. no. 633/1941)

  The law punishes whoever, for fraudulent purposes, produces, offers for sale, imports, promotes, installs, modifies, uses for public and private use equipment or parts of equipment for decoding audio-visual transmissions with conditional access broadcast over the air, via satellite, via cable, in both analogue and digital form. Conditional access means all audio-visual signals transmitted by Italian or foreign broadcasters in such a way as to make them visible exclusively to closed groups of users selected by the party issuing the signal, irrespective of the imposition of a fee for the use of such service.

1) Extent of risk of committing copyright crimes at A.C. Pisa 1909 and areas at risk of crime.

The risk of committing copyright crimes is **low**.

The football club does not sell or produce goods directly, so that all crimes that presuppose conduct involving the sale of computer programs or the rental of original works protected by copyright are difficult to envisage, also from the point of view of a possible advantage or interest in the commission of such crimes by the club.

On the other hand, there may be a risk with respect to the use of computer programs not marked by the *SIAE*, as well as for public or private use of equipment for decoding audio-visual signals.

With regard to these hypotheses, A.C. Pisa 1909 introduces with this Organisational Model specific obligations and prohibitions that must be respected by all collaborators.

The areas at risk are:

- Administration (all personnel with access to a computer at the football club's premises) for cases relating to the use of illegally acquired computer programs;
- Administration (as above) and stadium for the crimes referred to in Article 171-octies of Law no. 633/1941.

2) General principles of conduct.

The following prohibitions are of a general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided for by the Disciplinary System, which is a

constituent part of the Organisational Model.

All the above-mentioned collaborators of the football club are forbidden to engage in, contribute to or cause behaviours that, taken individually or collectively, directly or indirectly, constitute one of the crimes listed in Article 25-novies of Legislative Decree No. 231/2001.

Violations of the corporate procedures indicated in this Special Part are also prohibited and sanctioned.

Therefore, the above-mentioned subjects are prohibited:

- to use or even only introduce at the premises of A.C. Pisa 1909 computer programs illegitimately acquired and, in any case, not bearing the *SIAE* mark;
- to resort to means suitable to allow or facilitate the arbitrary removal or functional avoidance of devices applied for the protection of a computer program;
- to appropriate of or transfer, for any reason whatsoever, databases in violation of the provisions of Articles 64-quinques, 64-sexies, 102-bis and 102-ter of Law no. 633/1941;
- to share works protected by copyright by means of file-sharing programmes;
- to access websites where it is possible to access copyright protected contents;
- to use any instrument capable of decoding audio-visual transmissions with conditional access.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular:

- **Procedure no. 1:** to **personal computers** in use at A.C. Pisa 1909 a filter or programme is applied to avoid file sharing and access to internet sites where it is possible to access to copyright protected;
- **Procedure no. 2: personal computers** in use at A.C. Pisa 1909, must be checked, including spot checks, to ensure that computer programs have not been improperly installed in breach of copyright laws.

4) Checks by the Supervisory Body.

The Supervisory Body carries out periodic sample checks on the activities related to sensitive processes in order to verify their correct implementation in relation to the rules of the model.

To this end, the SB is guaranteed autonomous powers of initiative and control and free access to all relevant corporate documentation.

The SB may also intervene following reports received.

The person in charge of the information service shall forward his report to the Supervisory Body concerning the investigations referred to in procedure no. 2.

ANNEX X Crimes related to sport

With **Law no. 39 of 3 May 2019**, the **Council of Europe Convention on the Manipulation of Sports Competitions**, signed at Magglingen on 18 September 2014, was implemented in our legislation. Article 5 clause 1 of the law in question adds a new article, article **25-quaterdecies,** to Legislative Decree no. 231 of 8 June 2001, the text of which is set out below.

25-quaterdecies. ***Fraud in sporting competitions, unlawful gaming or betting, and gambling by means of prohibited devices.***

1. *In relation to the commission crimes referred to in articles no.1 and no.4 of law no.401 of 13 December 1989, the following monetary sanctions are applied to the institution:*

a) for crimes, the pecuniary sanction of up to five hundred shares;

b) for contraventions, pecuniary sanctions of up to two hundred and sixty shares.

2. *In cases of conviction for one of the crimes indicated in paragraph 1, letter a) of the present article, the disqualification sanctions provided for in article 9, clause 2, are applied for a period of not less than one year.*

When the case of Article 25-quaterdecies was not even envisaged, A.C. Pisa 1909 had already envisaged the crimes of sports fraud and illegal collection of sports bets in the area of competence of Legislative Decree no. 231/2001, thus including in its own Organisational Model procedures aimed at preventing the commission of the aforementioned crimes.

A.C. Pisa - wishing to combat these types of crimes - had envisaged the crimes of **sports fraud** and **illegal collection of sports bets** in the area of competence of Legislative Decree no. 231/2001, thus including in its own Organisational Model procedures aimed at preventing the commission of the aforementioned crimes.

A.C. Pisa 1909 also wanted to strongly oppose the crime provided for and punished by Art. 9 of Law no. 376/2000, that is, the crime of administering and using drugs with the aim of altering the sports result.

This section also introduces specific prohibitions and procedures for the prevention of violent acts described by Art. 12 of the Code of Sporting Justice.

The choice to include in a single annex of the Organisational Model crimes and sporting crimes, stems from the will of the sports club to adopt any measure that may be useful to eradicate at the root any conduct that may alter the goodness of the competitive performance of its members, as well as any illegal conduct of its supporters.

A.C. Pisa 1909 intends to support the positive values of football, such as discipline, respect for the opponent, attention to health, the value of cheer as a support to the players and as a moment of social aggregation.

In order to enhance the above-mentioned values, therefore, the sports club undertakes to combat any

unlawful conduct perpetrated on the field or in the stands.

Below is an analysis of the crimes included in this Annex.

Criminal sports crimes:

- **The crime of sporting fraud.** (inserted with the law of May 2019)

  The crime of sporting fraud, provided for and punished by Article 1 of Law no. 401/1989, punishes anyone who offers or promises money or other benefits or advantages to one of the participants in a sporting competition organised by the federations recognised by the *Comitato Olimpico Nazionale Italian*, CONI (Italian National Olympic Committee), by the *Unione Italiana per l'incremento delle Razze Equine*, UNIRE (Italian Union for the increase of horse breeds) or by other sports bodies recognised by the State and by their member associations, in order to achieve a result different from that resulting from the proper and fair conduct of the competition, or in other words carries out other fraudulent acts aimed at the same purpose". The crime in question is a "free form" crime, the conduct of is therefore not defined in strict terms.

  On this point, the Court of Cassation has ruled that this crime also includes the administration of prohibited drugs, before the specific legislation on doping laid down in Law 376 of 2000 was enacted.[3]

  The legal asset protected is loyalty and correctness in the conduct of competitive competitions. The crime is deemed to have been committed when an undue advantage is promised or offered, or when any other fraudulent conduct is committed.

  This has led the jurisprudence of legitimacy to classify the case in question as a crime of danger, for which the stage of attempt cannot be envisaged, the threshold of punishability being brought forward to the mere performance of an activity aimed at altering the conduct of the competition.

- **The crime of abusive gaming and betting**. (inserted with the law of May 2019)

  The crime of unlawful gaming and betting, provided for and punished by Article 4 of Law No 401/1989 no. 401/1989, punishes anyone who unlawfully organises *"bets or betting contests on sporting activities managed by the Italian National Olympic Committee (CONI), by organisations dependent on it or by the Italian Union for the Increase of Horse Breeds (UNIRE)"*, but also those who participate in them.

- **The crime of doping.**

[3] Criminal Court of Cassation, sect. 6, 25.1.1996 no. 3011, Omini, Rv. 204787; sect. 2 29.3.2007 no. 21324, P.G. in proc. Giraudo, Rv.237035 in which, after highlighting the structural difference between the crime of sports fraud under article 1 of L. no. 401/89 and the crime of doping under Art. 9 of L. no. 376/2000, and the consequent lack of regulatory continuity between the two crimes, it was specified that only for the conduct carried out before the entry into force of Law no. 376 of 2000, is the punishability in terms of sporting fraud pursuant to Law no. 401/89, Art. 1, as the most favourable law.

The crime provided for by Article 9 of Law no. 376/2000 punishes *"anyone who procures for others, administers, assumes or in any event promotes the use of drugs or biologically or pharmacologically active substances, included in the classes provided for in Article 2, clause 1, which are not justified by pathological conditions and are suitable for modifying the psychophysical or biological conditions of the body, in order to alter the competitive performance of athletes, or are aimed at modifying the results of controls on the use of such drugs or substances"*.

Pursuant to the aforementioned Article 2 of Law no. 376/2000, doping substances are those indicated in the Decree of the Ministry of Health, adopted by said Ministry in agreement with the Minister for Cultural Heritage and Activities, on the proposal of the Commission for the supervision and control of doping and for the protection of health in sporting activities.

In this case, therefore, the conduct of sporting fraud is prosecuted not by offering or giving money or other benefits, but by resorting to pharmacological "help".

Crimes related to violent facts (Art. 12 Code of Sporting Justice).

- Art. 12 of the Code of Sporting Justice punishes clubs for the acts committed by their supporters.

  This article, in particular, reads as follows: *"Prevention of violent acts. 1. Clubs are prohibited from contributing, with financial or other benefits, to the establishment and maintenance of organised or unorganised groups of their own supporters, except as provided for by current State legislation. 2. Clubs are obliged to observe the rules and regulations issued by the public authorities concerning the distribution of entrance tickets to the public, as well as any other public safety provisions relating to the matches they organise. 3. The clubs are liable for the introduction or use in the sports facilities of fireworks of any kind, of instruments and objects that are in any case likely to cause crime, of drawings, writings, symbols, emblems or the like, bearing obscene, insulting, threatening or inciting expressions of violence. They shall also be liable for chanting, shouting and any other manifestation that is obscene, insulting, threatening or incites violence or that, directly or indirectly, causes crime, denigration or insult for reasons of territorial origin. 4. Before the match starts, clubs are obliged to warn the public of the sanctions that may be imposed on the club as a consequence of violent actions by supporters, even if committed outside the stadium. Non-observance of this provision is sanctioned as per letter b) of Art. 18, clause. 1. 5. Clubs are liable for the statements and conduct of their managers, cardholder members, associates and non-associates as referred to in Art. 1 bis, clause. 5, which in any way may contribute to or condone acts of violence. The liability of the clubs is concurrent with that of the individual managers, cardholder members, associates and non-associates referred to in Art. 1 bis clause. 5. 6. For the violation of the prohibition referred to in paragraph 1, the sanction of a fine shall be applied in the following measures: a fine from €10,000.00 to €50,000.00 for*

Serie A clubs, a fine from €6,000.00 to €50,000.00 for Serie B clubs, a fine from €3,000.00 to €50,000.00 for Serie C clubs; in the case of recidivism, the obligation to play one or more matches behind closed doors shall also be imposed. For the violations as per clauses 2 and 3, the sanction of a fine is applied in the measures indicated in the previous paragraph; in the most serious cases, to be assessed in particular with regard to recidivism, the sanctions envisaged by letters d), e), f) of Art. 18, clause 1 are also applied, jointly or severally in consideration of the concrete circumstances of the fact. For the infringements as per clause 5, the sanction of a fine with warning is applied in the measures indicated in section 1 of this paragraph; in the event of specific recidivism, disqualification from the field is also inflicted. For professional players, in the most serious cases, in addition to the fine, the sanctions referred to in letters f), g), h) of Art. 19, clause 1 shall also apply. For the infringements referred to in this article, the sanctions provided for in Art. 19, clause 1 shall apply to the managers, cardholder members, associates and non-associates referred to in Art. 1 bis, clause 5.

If the responsible clubs do not belong to the professional leagues, without prejudice to other applicable sanctions, a fine ranging from €500.00 to €15,000.00 shall be applied. 7. Managers and cardholder members of clubs, as well as associates and non-associate as per Art. 1 bis, clause 5, who, in public, including on television or radio or in the course of statements made to the press, behave in a manner or make declarations, directly or indirectly, that are suitable for incitement to violence, or for advocating violence, are punished, according to the categories they belong to, with the sanctions referred to in letters c) and g) of Art. 19, clause 1, also applied cumulatively. 8. Cardholder members are forbidden to engage in dialogue with supporters during matches and/or to submit to their demonstrations and behaviour which, in situations related to the conduct of their activity, constitute forms of intimidation, cause crime, denigration, insult to the person or in any case violate human dignity. In the event of violation of the prohibition, the sanctions referred to in Article 19, clause 1, letters e) or h) shall apply. In the professional context, together with the sanction referred to in the previous paragraph, the sanction referred to in Art. 19, par. 1, letter d) shall apply. The fine is applied in the following measures: - €20,000 for violations within Serie A; - €8,000 for violations within Serie B; - €4,000 for violations within Lega Pro. Cardholder members are prohibited from having relations with exponents and/or groups of supporters who are not part of associations that have an agreement with the clubs. In any case, such relations must be authorised by the club's delegate for relations with supporters. In the event of violation of the aforementioned prescriptions, the same sanctions as in clause 8 apply".

Art. 13 of the Code of Sporting Justice provides for an exemption from liability in the event of the adoption of an Organisation and Management Model suitable for preventing the aforementioned conduct, together with cooperation with the police and other competent authorities, the provision of intervention measures to remove signs, inscriptions, symbols, emblems or similar to stop discriminatory conduct.

In addition, the conduct of other supporters may contribute to preventing the club from being liable for the actions of supporters if they have, during the match, expressed their dissent by dissociating themselves from such conduct.

Here below is the text of Art. 13 of the Code of Sporting Justice by FIGC:

"Exempting and extenuating circumstances for conduct of its supporters 1. The Club shall not be liable for the conduct of its supporters in breach of Article 12 if three of the following circumstances are jointly met a) the Club has adopted and effectively implemented, prior to the crime, organisational and management models suitable to prevent conduct of the kind that occurred, having employed adequate financial and human resources for the purpose; b) the Club has concretely cooperated with the police and other competent authorities to adopt measures to prevent violent or discriminatory acts and to identify its own supporters responsible for the violations; c) at the time of the event, the Club has immediately acted to remove drawings, writings, symbols, emblems or similar, or to stop the chants and other manifestations of violence or discrimination d) other supporters clearly showed during the match that they did not wish to be involved in such behaviour by behaving in a sporting manner; e) there was no omitted or insufficient prevention and supervision on the part of the Club. 2. The responsibility of the Club for the behaviour of its supporters in violation of article 12 is mitigated if the club proves the existence of some of the circumstances listed in clause 1 above.

1) Extent of risk of committing crimes in the field of sports crimes at A.C. Pisa 1909 and the areas at risk.

The risk of sports-related crimes being committed is **high**.

This assessment depends both on the frequency of sporting events where both penal crimes and crimes provided for by the Code of Sporting Justice may occur, and on the extent of the damage, especially to image, that the football club would suffer as a result of the crimes described above.

In relation to these hypotheses, A.C. Pisa 1909 introduces with this Organisational Model specific obligations and prohibitions that must be respected by all collaborators.

The areas at risk are:

- management of stadium security;
- management of relations with supporters;
- management of relations with the press;
- purchase, administration and possession of medicines for players.

2) General principles of conduct.

The following prohibitions are of a general nature and, therefore, apply to all corporate bodies, managers, employees, external collaborators and suppliers of A.C. Pisa 1909.

Their violation will be sanctioned as provided for by the Disciplinary System, which is a constituent part of the Organisational Model.

It is forbidden for all the aforementioned collaborators of the football club to engage in, contribute to or cause behaviours which, taken individually or collectively, directly or indirectly constitute cases falling within those indicated above.

Violations of the corporate procedures indicated in this Special Part are also prohibited and sanctioned.

Therefore, the above-mentioned subjects are prohibited from:

- offering, promising money or other benefits or advantages to opposing athletes, opposing coaches, opposing staff or referees;
- taking part in any game or bet, in accordance with the provisions of Art. 6 of the Code of Sporting Justice. It is also a serious disciplinary offence to take part in games and bets relating to the match of one's own team.
- procuring for others, possessing, administering, taking or facilitating in any way the use of substances considered to be doping, or of substances that may alter the competitive performance of athletes;
- contributing, with financial or other benefits, to the establishment and maintenance of organised or unorganised groups of supporters;
- selling admission tickets to matches if they do not comply with the rules issued by the Public Authorities (e.g. identification of the ticket holder);
- making statements that may contribute to acts of violence or constitute an apology for such acts;
- having discussions with supporters during matches and/or to submit to their demonstrations and behaviour which, in situations connected to the performance of their activities, constitute forms of intimidation, cause crime, denigration, insult to the person or in any case violate human dignity.

3) Specific rules of conduct.

To supplement and specify the principles of conduct set out above, a number of corporate procedures and rules have been formalised to prevent the commission of crimes.

In particular:

a. **Procedure no. 1:** for **health care services** to A.C. Pisa 1909 players, a specific procedure for the purchase of medicines is established in order to avoid the purchase of doping substances;

b. **Procedure no. 2: for stadium security;**

c. **Procedure no. 3:** a specific responsibility is attributed for the implementation of an information and training programme for players, in particular from the youth sector, on sporting fraud and its consequences for the player himself, his health (if perpetrated through the use of pharmacological substances), and his team.

4) Checks by the Supervisory Body.

The Supervisory Body carries out periodic spot checks on the activities related to sensitive processes to verify their correct implementation in relation to the rules of the Model.

To this end, the SB is guaranteed autonomous powers of initiative and control and free access to all relevant club documentation.

The SB may also intervene following reports received.

ANNEX XI TAX CRIMES

Below is a brief description of the tax crimes covered by Article 25-quinquiesdecies of the Decree.

Fraudulent declaration through the use of invoices or other documents for non-existent transactions (Article 2, LD 74/2000)

This case punishes a taxpayer who uses invoices or other documents relating to non-existent transactions, indicating fictitious passive elements in the tax declaration, in order to evade income tax or value added tax (VAT).

The crime is deemed to have been committed by using invoices or other documents for non-existent transactions when such invoices or documents are recorded in the compulsory accounting records, or are held for the purpose of providing evidence to the tax authorities.

The penalty is reduced, as provided for in clause 2-bis, if the amount of the fictitious passive elements is less than €100,000.

Fraudulent declaration by means of other devices (Article 3, LD 74/2000)

The provision states that, where the act is not covered by Article 2 mentioned above, a taxpayer who - in order to evade income tax or value added tax (VAT) - carries out objectively or subjectively simulated transactions shall be punished under this Article, or makes use of false documents or other fraudulent means capable of hindering the assessment and misleading the tax authorities, indicating in one of the declarations relating to such taxes assets for an amount lower than the actual one or fictitious liabilities or fictitious credits and withholdings. The crime is punishable only if two thresholds are exceeded: i) the tax evaded exceeds, with reference to any one of the individual taxes, €30,000; ii) the total amount of the assets evaded from taxation, including by indicating fictitious passive elements, exceeds five per cent of the total amount of the assets indicated in the declaration, or in any event, exceeds €1,500.000, or if the total amount of the fictitious credits and withholdings deducted from the tax is higher than five per cent of the amount of the tax itself or, in any case, is higher than €30,000.

The fact shall be deemed to have been committed with the use of false documents if such documents are recorded in the compulsory accounting records or are held for the purposes of providing evidence to the tax authorities. In addition, the mere violation of the obligations to invoice and record assets in the accounting records or the mere indication in the invoices or in the records of assets that are lower than they really are do not constitute fraudulent means.

False declaration (Article 4, Legislative Decree 74/2000)

This case punishes anyone who, in order to evade taxes on income or value added, indicates in one of the annual declarations relating to those taxes, assets of an amount lower than the actual amount or non-existent liabilities, when, together:

a) the tax evaded is higher, with reference to any of the individual taxes, than one hundred

thousand Euros;

b) the total amount of the assets removed from taxation, including by means of indication of non-existent passive elements, is higher than ten per cent of the total amount of the assets indicated in the declaration, or, in any case, is higher than two million Euros.

To this end, no account shall be taken of incorrect classification, of the valuation of objectively existing assets or liabilities, in respect of which the criteria concretely applied have in any event been indicated in the financial statements or in other documentation relevant for tax purposes, of the breach of the criteria for determining the period of competence, of the non-inherence, of the non-deductibility of real passive elements.

The crime may result in an administrative crime against the institution only if it is committed within the framework of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million Euros.

Omitted declaration (Art. 5, LD 74/2000)
This case punishes anyone who, in order to evade taxes on income or on value added, does not submit, being obliged to do so, one of the declarations relating to such taxes, when the tax evaded exceeds, with reference to any one of the individual taxes, fifty thousand Euros, or who does not submit, being obliged to do so, the declaration of substitute tax, when the amount of unpaid withholdings exceeds fifty thousand Euros.

For this purpose, a declaration submitted within ninety days of the expiry of the time limit, or not signed, or not drawn up on a form conforming to the prescribed model, shall not be regarded as omitted.

The crime may result in an administrative crime against the institution only if it is committed within the framework of cross-border fraudulent schemes and with a view to evading value added tax for a total amount of not less than ten million Euros.

Issuance of invoices or other documents for non-existent transactions (Art. 8, clauses 1 e 2-bis, LD 74/2000)

This crime punishes anyone issuing invoices or other documents for non-existent transactions, in order to allow third parties to evade income tax or value added tax (VAT). If the untrue amount indicated in the invoices or documents is less than €100,000 for each tax period, the penalty is reduced.

Concealment or destruction of accounting documents (Art. 10, LD 74/2000)
This case punishes a taxpayer who conceals or destroys all or part of the accounting records or

documents required to be kept in such a way that income or turnover cannot be reconstructed. This provision applies unless the crime is part of a more serious crime and on condition that the person acts with the aim of evading - or allowing third parties to evade - income tax or value added tax (VAT).

Undue compensation (Art. 10-quater LD 74/2000)

This case punishes the conduct of a person who fails to pay the amounts due by using offsetting, pursuant to Article 17 of LD no. 241 of 9 July 1997, undue credits for an annual amount exceeding fifty thousand Euros or non-existent credits for an annual amount exceeding fifty thousand Euros.

The crime may result in an administrative crime against the Institution only if it is committed within the framework of cross-border fraudulent schemes and with a view to evading value added tax for a total amount of not less than ten million Euros.

Fraudulent evasion of taxes (Art. 11, LD 74/2000)

This case punishes a person who falsely sells or carries out other fraudulent acts - on his own or on other persons' assets - aimed at rendering ineffective in whole or in part the compulsory collection procedure, if such conduct is carried out in order to avoid payment of income tax or value added tax (VAT), or of interest or administrative sanctions relating to such taxes for a total amount exceeding €50,000. The penalty is aggravated if the amount of the taxes the crime refers to is higher than €200,000. The provision also punishes those who indicate in the documentation submitted for the purposes of the tax settlement procedure assets for an amount lower than the actual amount or fictitious liabilities for a total amount higher than €50,000, if the act is committed in order to obtain for themselves or for others a partial payment of taxes and related accessories. Also in this case, the penalty is aggravated if the mentioned amount exceeds the threshold of €200,000.

1) Extent of risk

The areas of activity considered to be at medium-high risk in relation to tax crimes are considered to be the following:

- management of relations with public bodies for the acquisition of loans/contributions;
- management of judicial and extrajudicial disputes;
- preparation of financial statements, reports and corporate communications;
- management of relations with the auditing company;
- management of tax obligations;

- management of orders;
- management of financial flows;
- management of treasury;
- management of personnel and players;
- management of reimbursement of expenses
- management of the purchase of goods and services;
- management of consultancy, specialist and professional assignments;
- active cycle;
- passive cycle;
- management of gifts, donations and sponsorships.

This Special Part, in addition to the specific principles of conduct relating to the areas of risk indicated above, recalls the general principles of conduct provided for by the Code of Ethics adopted by the Club, which all the Directors, employees and collaborators are required to observe.

2) Recipients and specific rules of conduct.

The recipients of this Special Part are the Directors, the Statutory Auditors, the Chairman, the Managing Director, the Managers, the employees and their collaborators, consultants and partners operating in the areas of activity at risk (hereinafter the "Recipients").

The Recipients are expressly obliged to:

- behave in a correct, transparent way and in compliance with the laws, regulations and generally recognised administrative and accounting principles, in all activities aimed at preparing the financial statements and other corporate communications, in order to provide shareholders, third parties, institutions and the public with true and correct information on the Club's economic and financial situation;
- comply with the roles and responsibilities identified for the calculation of taxes, income and assets and in general for the management and monitoring of tax obligations and for the subsequent telematic transmission;
- comply with the roles and responsibilities identified for the determination, communication

and payment of the Club's VAT position;

- adequately schedule the timing and deadlines for tax compliance and promptly manage any issues related to the calculation of taxes arising from transactions with counterparties, including international ones;
- ensure the substantive control entrusted to the auditing company for the voluntary certification of accounting data;
- ensure the annual audit entrusted to the auditing company for the control of the data indicated in the tax returns and for the countersigning of the same;
- ensure the correct and complete keeping of mandatory documentation and accounting records;
- ensure that the data in declarations accurately reflect the underlying documentation;
- identify those who are responsible for monitoring tax legislation and those who are responsible for verifying the appropriateness of the data provided in declarations and F24 settlement statements;
- in the case of anomalies with respect to invoices recorded in the accounts, provide for an in-depth documented assessment and a reasoned decision on whether to make "adjustments" when submitting the return;
- verify the accuracy of the tax settlement statements and the use of tax credits;
- carry out an in-depth verification in case of use of tax credits for different taxes;
- carry out checks on the correspondence between the certifications issued as withholding tax and the relevant declarations and payments;
- provide that contracts governing relations with consultants contain specific clauses recalling the obligations and responsibilities arising from the Decree and from compliance with the Model and the Code of Ethics, which must be communicated to them in accordance with the provisions of the General Part. Such clauses must provide for the obligation of the Consultant to promptly notify the Supervisory Body of the existence or request of conduct - even potentially - unlawful;
- it must be understood that, for Consultants in tax matters, compliance with the Model and the Code of Ethics expressly includes the commitment not to promote, support and/or facilitate tax evasion operations.
- provide that contracts governing relations with Consultants contain specific clauses establishing that failure to comply with the contractual obligations arising from acceptance of the Code of Ethics and the Model may entail termination of the contract and entitle the Company to claim damages.

In accordance with these principles, it is expressly forbidden to:

- submit untruthful or incomplete tax and fiscal declarations;
- agree to issue invoices and documents of fiscal value to persons other than the actual purchasers or beneficiaries of the services rendered;
- issue invoices or documents having fiscal value without a description of the services rendered or with a generic indication;
- use in income or value-added tax declarations, invoices or other documents relating to transactions not actually carried out, which generically describe the subject matter of the service (or do not describe it at all) or which are not attributable to the issuer of the document;
- behave in such a way - by carrying out objectively or subjectively simulated transactions, that is, by using false documents or other fraudulent means – as to obstruct tax assessments or mislead the tax authorities; behave in such a way - by concealing documents or using other fraudulent means – as to materially obstructs the performance of the control or audit of the company's management by the Board of Auditors and the Independent Auditors;
- behave in such a way - through the concealment or destruction of all or part of the accounting records or documents whose retention is mandatory - that the tax authorities are not allowed to reconstruct income or turnover;
- fictitiously dispose of or perform fraudulent acts on one's assets in order to render ineffective the compulsory collection procedure to evade the payment of income or value added taxes or of interest and penalties relating to such taxes;
- violate tax, fiscal and social security regulations;

For the proper implementation of the general principles described above, the Club ensures that:

- the relations with the Public Administration and the Financial Administration are managed by persons endowed with specific powers (mandates/proxies) and, where possible, by at least two persons at the same time.

3) Checks by the Supervisory Body.

By way of example, some of the check activities on this Special Part that the SB may carry out are the following:

- monitoring that the internal managers of the areas at risk of crime are made aware of the

tasks and duties related to the supervision of the area for the purpose of preventing the commission of tax crimes;

- verifying compliance with, implementation and adequacy of the Model and the rules of corporate governance with regard to the need to prevent the commission of tax crimes;
- monitoring the effective application of the Model and detecting any behavioural deviations that may emerge from the analysis of information flows and reports received;
- communicating any violations of the Model to the competent bodies so that they may take disciplinary measures if necessary;
- periodically checking - with the support of the other competent structures - the system of delegation of powers in force, recommending changes if the management power and/or the qualification do not correspond to the powers of representation conferred on the internal manager or sub-managers;
- periodically checking that the independence requirements are still met by the appointed auditing firm;
- indicating to the Board of Directors any additions to the financial management and accounting systems adopted by the Club;
- periodically verifying, with the support of the competent structures, the validity of appropriate standard clauses aimed at ensuring compliance by external collaborators and partners with the contents of the Model and the Code of Ethics.

ANNEX XII SMUGGLING CRIMES

The crime of smuggling and customs law

In order to understand the *modus operandi* by which the crime of smuggling was amended, in order to better coordinate it with the recent amendments concerning Legislative Decree no. 231/2001, it is appropriate to outline some of the principles underpinning customs law.

The rules governing customs trade are contained in Presidential Decree no. 43 of 23 January 1973, known to most people as the Consolidated Customs Act. The basis of this law are the so-called **customs duties**, that is "indirect taxes applied to the value of products that are imported and exported by the country imposing them" [, and these are applied to all those products coming from countries that are part of the EEC (European Economic Community), such as - merely by way of example - China. Customs duties represent one of the resources of the European Union that flows directly into the unitary budget; whereas customs duties correspond to those rights that Customs can collect *ex lege* based on daily customs operations. Article 34, in the list of customs duties, includes the so-called border duty, which is expressed in the ratio of import and export duties, levies and other import or export charges already provided for by EU regulations and implementing rules, monopoly duties, border surcharges and all other taxes and surcharges [. Articles 36 et seq. of the Customs Code set out the conditions that give rise to the crime of smuggling, understood as "the conduct of anyone who introduces into the territory of the State, in violation of the provisions on customs matters, goods that are subject to border duties". Specifically, the crime of smuggling is outlined in Title VII Chapter I TULD, Presidential Decree 43/1973 at Articles 282 to 301:

- Clause 282 (Smuggling in moving goods across land borders and customs areas)
- Clause 283 (Smuggling of goods in border lakes)
- Clause 284 (Smuggling of goods by sea)
- Clause 285 (Smuggling of air freight)
- Clause 286 (Smuggling in non-customs areas)
- Clause 287 (Smuggling by misuse of goods imported with customs facilities)
- Clause 288 (Smuggling in customs warehouses)
- Clause 289 (Smuggling in cabotage and traffic)
- Clause 290 (Smuggling in the export of refundable goods).
- Clause 291 (Smuggling in temporary import or export)
- Clause 291-bis (Smuggling of foreign tobacco products)
- Clause 291-ter (Aggravating circumstances of the crime of smuggling foreign tobacco products)
- Clause 291-quater (Conspiracy to smuggle foreign tobacco products)

- Clause 292 (Other cases of smuggling)
- Clause 294 (Penalty for smuggling where the object of the crime has not been established or is incomplete)
- Crimes under Title VII Chapter II, that is, the acts referred to therein but only if they exceed €10,000 in evaded border duties (Articles 302 et seq.).

The article submitted to our attention was, however, the subject of decriminalisation pursuant to Legislative Decree 8/2016 by which a multitude of crimes was transformed into an administrative crime, for which the system of sanctions provides only for the pecuniary penalty. As a matter of fact, we read in Articles 282, 291, 292 3 294 TUD (Customs consolidated test) that such crimes are punished with an administrative penalty, of which the minimum edictal amount is 5 thousand Euros while its maximum is 50 thousand Euros. The only article that has not undergone decriminalisation pursuant to Legislative Decree 8/2016 is Article 295, which provides for imprisonment for those who commit the crime of smuggling, to which it is possible to add, for the purposes of a more complete determination of the quantum punishment the aggravating circumstances of smuggling.

Art. 295 of the TUD reads that for the crimes provided for in the preceding articles, a fine shall be added to a term of imprisonment ranging from three to five years: a) when, in committing the crime, or immediately afterwards in the surveillance zone, the offender is caught armed; b) when, in committing the crime, or immediately afterwards in the surveillance zone, three or more persons guilty of smuggling are caught together and in such a condition as to obstruct the police organs; c) when the crime is connected with another crime against public faith or against the public administration; d) when the offender is an associate to commit smuggling crimes and the crime committed is among those for which the association was set up. The last paragraph provides, for the same crimes, that the fine shall be added to the imprisonment of up to three years when the amount of the border duties due is greater than €49,993[.

It is now common knowledge that Article 295 of the TUD will be subjected to another regulatory amendment, which will introduce a special aggravating circumstance to punish smuggling crimes with a fine and imprisonment of 3 to 5 years in the event that the total amount of border duties to be paid is equal to or greater than 100 thousand Euros; another amendment will be made in the event that the amount of border duties is between 5 thousand and 100 thousand Euros, in order to identify a sanctioning treatment capable of adapting to the exceeding of the punishment threshold on the basis of the different customs brackets.

Article **25-sexiesdecies**, therefore governs the administrative liability of entities in the event of the crime of smuggling, which is followed by a sanctioning system consisting of pecuniary sanctions and prohibitory sanctions. The system of sanctions, for this conduct, provides for a pecuniary sanction - the fine - which, in order to meet the function provided for in Art. 27, clause 3 of the Constitution and so that there is a *restitutio ad integrum* with the contextual restoration of the status *quo ante*, must be quantified in relation to the sum of the so-called border duties not previously paid to the Customs Authority: specifically, the punishment threshold indicated for this crime meets the

need to protect the violated interests of the European Union in a different way.

The underlying ratio of the prohibitory sanctions is, however, different, governing the prohibition to contract with the PA and the following exclusions from facilitations, funding, contributions, subsidies and revocation of benefits already granted, as well as the absolute prohibition to advertise its services.

The risk of smuggling crimes being committed is considered **low** as there are currently no activities that could conflict with this crime.