

K&L GATES



Italy

# Employer Guide

**10**<sup>TH</sup> ANNIVERSARY  
EDITION

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# INTRODUCTION

In Italy, employment laws and regulations have always been employee-friendly, granting employees extensive rights. However, the trend in the last decade is to provide more flexibility to the employment relationship through various measures, such as: (a) softening compensation for wrongful dismissals, (b) expanding the use of fixed-term contracts, and (c) granting the employer the right to demote employees in certain cases.

Basic rules regarding rights and obligations of the Italian employment relationship are set forth in the Constitution of the Italian Republic (Italian Constitution) (*Costituzione*); the Italian Civil Code, which includes a special section on employment matters; and the Statute of Workers, i.e., Law No. 300/1970 as amended by subsequent legislation.

Terms and conditions of employment are also provided by national collective bargaining agreements (each, an NCBA), periodically executed and renewed by and between the trade unions and the employers' associations operating in each specific market sector.

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# EMPLOYMENT RELATIONSHIP

## I. PRE-EMPLOYMENT

### Immigration/Visa Requirements

Employers must ensure that their employees are lawfully permitted to work in Italy.

Foreign workers must have visas to live and work in Italy. An employer who wishes to hire a foreign worker residing abroad can submit an application by following the required procedure as soon as work entry quotas have been decided.

Extra quotas of work permits are available for intracompany assignments (highly skilled workers posted within the same group for a maximum of five years), international service contracts, and for the so-called “Blue Card” permits (direct hiring of specialized workers who hold at least a three-year university diploma).

Such quotas are set by means of an ad hoc decree adopted by the president of the Council of Ministers (DPCM), which allows it to set subjective and income requirements necessary to grant applications on a case-by-case basis. The DPCM decree also sets the maximum quotas for non-European nationals allowed to work in Italy. These quotas are then distributed among provinces and regions.

Immigration help desks are in charge of issuing the *nulla osta* (an official declaration not to be against something or someone) for work as an employee and for seasonal employment, as well as for other instances.

### Reference/Background Checks

An employer is permitted to contact previous employers to gather and verify information made available by the employee, provided that such information is strictly relevant to the employment and the data protection regulation is complied with.

### Police and Other Checks

To ensure fairness and impartiality, an employer is only allowed to rely upon checks performed by relevant inspection and social security public entities to determine an applicant's suitability for a particular job.

### Medical Examinations

Medical examinations are permitted, if necessary, to determine fitness for the required job when requested by the employer and performed by relevant inspection and social security public entities. An employer is not allowed to perform a medical examination.

### Minimum Qualifications

Businesses may ask for minimum qualifications to ascertain an applicant's suitability for a role.

## II. TYPES OF RELATIONSHIPS

### Employee

Individuals can be employed on a full-time or part-time basis, on an open-ended or fixed-term basis up to 24 months in the aggregate, or for apprenticeships.



## Independent Contractor

Independent contractors may be engaged on a fee-for-service basis through a service or cooperation agreement.

## Manpower

Workers may be engaged through labor agencies owning a special authorization granted by the Italian Ministry of Labour and Social Policies. Supply of manpower is common in certain sectors, such as construction and information technology. Workers supplied through labor agencies remain employees of the labor agencies themselves.

As of March 2024, the Italian regulatory landscape underwent important changes in this area, following the introduction of Law Decree no.19/2024, pursuant to which entities and their clients carrying out supply of manpower in the absence of authorization may be subject to criminal sanctions (i.e., imprisonment up to one month or a criminal fine equal to €60 per each temporary worker per day, and in case of recidivism, the fine will be raised to €72). Where the unauthorized labor agencies and their clients are found to circumvent statutory provisions of law and regulations, they may also be subject to additional criminal fines (i.e., imprisonment up to three months or a criminal fine equal to €100 per each temporary worker per day). In addition, both unauthorized labor agencies and their clients are jointly liable for payment of outstanding salaries and social security contributions due to the employees and the Italian National Institute for Social Security (*Istituto Nazionale della Previdenza Sociale*).

Last, in case of unlawful supply of manpower, workers may be entitled to claim to be acknowledged as employees belonging to the user company and to be paid an indemnity ranging from two and one-half to 12 times the global monthly salary.

## III. INSTRUMENTS OF EMPLOYMENT

### Contracts

Employers must give all new employees a written document providing full information on:

- Identity of the parties.
- Place of work.
- Starting date of employment.
- Term of employment, indicating whether the same will be an open-ended relationship or not.
- Job qualifications.
- Salary and payment terms.
- Duration of paid annual leave and vacation.
- Working hours.
- Terms and conditions of notice of termination.
- Probationary period, if any.

Moreover, a new piece of legislation (Legislative Decree no. 104, dated 27 June 2022 (Transparency Decree)) came into force in Italy on 13 August 2022.

Pursuant to the Transparency Decree, employers and principals must now provide their employees and workers with the following additional information:

- Employees' and workers' right to be given training, if any.
- Duration of any paid leaves that the employee/worker is entitled to in accordance with the law and the applicable NCBA.

- Procedure, form, and terms of the contractual notice period, both in case of termination by the employer and termination by the employee/worker.
- The amount of the initial salary and of the elements the salary is composed of, as well as the payroll period and ways of payment.
- The schedule of working hours and terms and conditions of overtime (if any), including the relevant supplementary pay for overtime.
- In cases where the employment agreement sets forth a predictable organization of working hours and shifts, the schedule of work in shifts and the circumstances in which shifts may be amended
- Where working hours and shifts are, in whole or in part, not predictable in advance, the employer shall inform the employee/worker that the schedule of working hours and shifts may change from time to time. In those circumstances, the employee/worker shall be informed of (a) the minimum number of paid hours to be worked, (b) the additional salary that will be paid for hours worked in addition to the minimum, and (c) the advance notice period the employee/worker will be provided before starting work and the term by which the task can be canceled.
- The NCBA and the collective agreement at a company level (if any) applied to the employment relationship, including the specification of the collective parties that have entered into it.
- Entities and institutes enabled to receive social security and insurance contributions due by the employer, as well as any information regarding social security and insurance tools/benefits made available by the employer.
- In case of employees/workers provided by manpower agencies, details of the company/employer to which such employees/workers are provided.

The above information may be either incorporated into the employment agreement or supplied through a separate document. According to the latest note issued by the National Labour Inspectorate, no. 4/2022, most of the aforementioned additional details may be provided by reference to the NCBA applied, which shall be duly provided in full to the employees as well, either on paper or electronically.

As a general rule, in relation to new hires, the information required by the Transparency Decree shall be delivered to each employee/worker either on paper or in digital format no later than seven days after the start date of the employment relationship (although a longer period of 30 days applies to certain details).

For those employees/workers already in service before 13 August 2022, employers/principals shall update the information as per the Transparency Decree within 60 days of receiving a written request from the employee/worker.

Employers are also required to properly retain and store the employment agreements (along with any other documents containing the aforementioned information), the applicable NCBA, and relevant proof of their transmission and receipt by the employees for a period of five years following the termination of the employment relationship.

Employers/principals who fail to comply with the obligations set forth by the Transparency Decree may incur fines of between €250 up to a maximum of €1,500 for each employee affected, following a report by an employee/worker and an audit to be conducted by the competent district labor office.

## **Trial Period**

Under the Italian labor law, the parties are entitled to agree upon a probationary period to be incorporated into the employment contract. The length of such period is set forth by the applicable NCBA and varies depending on the level to which the employee is assigned.

Over the course of the probationary period, both parties are entitled to terminate the employment relationship for any reason whatsoever and without any notice period.

## Codes of Rules

Employees are covered by the Statute of Workers (*Statuto dei Lavoratori*), setting out the applicable legislation in terms of freedom and dignity of employees and obligations of the employer.

## Certified Agreements

At the request of contractual parties, particular contracts (e.g., with independent contractors) may be certified by qualified public entities that will issue a certificate assessing that the contract is enforceable. For example, if a contract with an independent contractor is formally qualified as a “self-employment agreement,” this means that both parties acknowledge that the contractor is actually a self-employee and that he or she is no longer entitled to claim to be qualified as an employee. This certification procedure is aimed at avoiding any dispute over the enforceability of the agreement. However, a party is always entitled to challenge the agreement, even if certified, if the way in which the relationship is de facto conducted is not consistent with the written agreement certified by the qualified public entities.

## Policies

Policies are not mandatory under Italian labor law. Nonetheless, policies relating to work health and safety, use of working tools, and emergency procedures are strongly advised.

# IV. ENTITLEMENTS

## Minimum Employment Rights

Italian legislation prescribes several employment standards that cover the majority of employees. Reference standards are provided by the Statute of Workers but may also be found in the Italian Constitution and in other laws.

### Salary

Employees are entitled to a fixed salary. As a general rule, the NCBAAs provide for the mandatory minimum wage.

### Hours of Work

Employees generally are not required to work more than 40 ordinary hours a week. The average weekly working time cannot exceed 48 hours, including overtime. In cases where the employer has not adopted any NCBA, overtime work can be agreed upon between the parties. Overtime work cannot exceed 250 hours per year.

### Holiday Leave

Employees generally are entitled to four weeks’ paid holiday leave per year. Holiday leave cannot be replaced by any indemnity/payment in lieu.

### Maternity, Paternity, and Parental Leaves

Eligible female employees (and, under very specific circumstances, male employees, e.g., in the event of death of the mother) are entitled to “maternity leave”: a two-month leave before the expected birth date and a three-month leave after the birth of a child. Under specific circumstances, the maternity leave can be enjoyed even as of the birth date. During the maternity leave, the eligible employee will receive 80% of daily salary, calculated on the basis of the salary received at the end of the last month prior to the parental leave.



Male employees are entitled to 10 days of leave during the first five months of a child's life.

Parents are entitled to take up to 11 months' leave in the aggregate to take care of the child until he or she turns 12 years old. In this event, indemnity will be reduced according to applicable provisions.

### Leave for Assistance

Disabled employees and relatives of disabled individuals are entitled to up to two hours per day or, alternatively, up to three days per month of paid leave. Under certain circumstances, an extraordinary paid leave period of up to two years may be granted for employees who need to assist disabled parents or relatives.

### Sickness Leave

In case of sickness, employees are entitled to keep their job position for a certain period of time set forth by the applicable NCBA. During the sick leave, the employer is not entitled to dismiss the employee, except for just cause.

### Public Holidays

Employees are entitled to paid leave for each day that is proclaimed a public holiday in Italy. Additional public holidays may apply in the specific territory in which an employee works.

### Severance Payment

In any case of termination of employment, employees are entitled to a severance payment (TFR) (*Trattamento di Fine Rapporto*). TFR is calculated by the amount of annual gross salary divided by 13.5 (per each year of service). TFR is increased on a compound basis by the increase in the index of retail prices as determined by the National Institute for Statistics, applying from December of the preceding year.

TFR must be apportioned yearly by the employer within its financial statement. Therefore, it does not constitute an actual disbursement for the employer when it is paid out upon termination of the employment agreement.

### Mandatory Hiring

Depending on the number of employees hired by the company, there are certain variable quotas of disabled persons who must be compulsorily employed. While companies with less than 15 employees have no obligation to employ disabled individuals, companies employing from 15 to 35 employees are required to hire one disabled individual and companies employing from 36 to 50 employees are required to employ two disabled individuals. Companies with more than 50 employees must hire disabled employees to reach at least 7% of their population.

Failure to comply with the mandatory hiring obligations may entail an administrative sanction of €196.05 per day per each disabled worker not hired.

Also, pursuant to Article 9 of Law no. 68/1999, public and private employers employing at least 15 employees at a national level must send an annual statement on their employment situation to the competent offices by 31 January of each year. Failure to fulfill the abovementioned communication obligations may result in a penalty equal to €702.43, plus an additional €34.02 sanction for each additional day of delay.



## Discretionary Benefits

### Bonuses

Employers may choose to incentivize employees by including bonus provisions in employment contracts. The measure of a bonus usually depends on individual and company goals.

# TERMINATION OF EMPLOYMENT

## I. GROUNDS

The employer may dismiss employees due to disciplinary reasons or for redundancy. Employers can terminate employees with or without notice. Different provisions apply to dismissals depending on whether there are more or less than 15 employees employed within the same local unit and on whether it is a single termination or the termination of five or more employees within a period of 120 days.

Employees can terminate the employment relationship through resignation.

The employment relationship also may cease upon mutual agreement or upon expiration of the term of a fixed-term contract.

## II. MINIMUM ENTITLEMENTS

### Payments/Notice

Where the employer terminates an employee for reasons other than just cause (i.e., very serious misconduct by the employee warranting an immediate termination), a notice period must be given or the relevant severance in lieu of the notice period must be paid.

Where an employee resigns, the employer must be given the relevant notice period unless the employee resigns due to just cause attributable to the employer. If the employee fails to comply with the notice period, the employer will deduct the relevant severance in lieu of the notice period from the employee's final pay slip.

The relevant notice period or severance in lieu of notice is established by the applicable NCBA, according to the employee's contractual qualification and length of service.

### Statutory Entitlements

In any case of termination of the employment relationship, the employee is entitled to TFR, as per the "Entitlements" section above.

### Holidays and Leaves Accrued and Not Enjoyed

In any case of termination of the employment relationship, the employee is entitled to be paid for holidays and leaves accrued and not enjoyed.

## III. REDUNDANCY

### Genuine Redundancy

The employer is entitled to lawfully dismiss an employee due to redundancy where there are no alternatives to the employee's job elimination, as determined by productivity and organizational reasons, and the redundant employee cannot otherwise be reemployed within the employer's organization.

If the employer needs to dismiss due to redundancy five or more employees within a 120-day period, a special procedure for collective dismissal must be started.

## Consultation

In the event that a procedure for collective dismissal must be initiated, a number of information and consultation sessions with trade unions are required.

## Payment

The employee dismissed due to redundancy is entitled to receive severance in lieu of the notice period, the TFR, and other mandatory sums to be paid out upon termination of the employment relationship (such as holidays accrued but not taken, supplementary monthly installments accrued pro rata, and temporary leaves not enjoyed).

## IV. REMEDIES

### Dismissal Action

#### Unlawful Dismissal

Where a dismissal is declared unlawful by the competent labor court, remedies and sanctions vary depending upon the company's size, on the hiring date, and on the grounds for dismissal.

Where the company employs more than 15 employees, and the employees have been hired before 7 March 2015, under certain and very serious circumstances the competent labor court may order reinstatement of the employee unlawfully dismissed due to disciplinary reasons or for discrimination/retaliation; in such an event, the employee may opt for a payment in lieu of reinstatement equal to 15 times his or her monthly salary. In addition, the employer will also be required to make a payment to the wrongfully terminated employee of not less than five months' salary. In other cases, the employer may instead be required to pay to the affected employee an indemnity ranging from 12 to 24 months' salary.

In light of a reformation of Italian labor law, where the company employs more than 15 employees, and the employees have been hired after 7 March 2015, reinstatement is basically excluded, unless dismissal is based on discrimination or retaliation. Under the circumstances, the company may be ordered to pay the affected employee between six and 36 months' salary.

Where the company employs up to 15 employees, regardless of the employee's hiring date, reinstatement is excluded, unless dismissal is based on discrimination or retaliation. In that circumstance, the company may be required to pay the affected employee an indemnity ranging from two and one-half to six months' salary.

# BUSINESS TRANSFER AND RESTRUCTURING

## I. LEGAL REQUIREMENTS

### Transfer of Business

Article 2112, paragraph 5, of the Italian Civil Code, implementing the principles set forth by EC Directive 98/50, expressly defines the “transfer of a going concern” as “any transaction that, as a result of a legal transfer or merger, has the effect of transferring the ownership of an organized economic activity existing before the transfer and maintaining its identity after the transfer...regardless of the nature of the agreement or decision providing the transfer.”

The same paragraph 5 of Article 2112 further specifies that the above discipline also applies to the transfer of a branch of a wider business if such branch is “intended as a functionally autonomous part of an organized economic activity, identified as such by the transferor and the transferee at the moment of the transfer.”

Based on these definitions, it is worth evaluating, case by case, if a part of a wider business can be construed as a “functionally autonomous part of an organized economic activity” and, consequently, whether its transfer can be construed as a transfer of a going concern pursuant to Article 2112.

In this respect, the part of the business, whether identified prior to or at the moment of the transfer, must include the “essential” means necessary to enable the transferee to carry out the business activity concerned, although such means may need to be integrated with the transferee’s assets and staff in order to continue in full operation with the transferee itself.

Where a business is being transferred, the employees working therein are automatically transferred with their existing terms and conditions of employment, i.e., the consent of such employees is not required for their transfer, provided that their terms and conditions of employment remain the same. However, there is always a risk that the employees being transferred and the employees remaining with the transferor may seek to object to their respective allocations to the transferred or former business.

If the transferor employs in aggregate more than 15 employees and employees are included in the business to be transferred, the transferor and the transferee are required to carry out a special trade union information and consultation procedure, to be opened by notifying in writing to the relevant trade unions at least 25 days before execution of the relevant transfer agreement or of a binding understanding between the parties. The purpose of this provision is to impose a trade union consultation process before any legally binding decision is taken and to give the trade unions the power to effectively exercise an influence on the transfer process in the best interests of the transferring employees.

## II. RESTRUCTURING

### Notification

Employers with more than 15 employees are required by law to notify unions, employees, and relevant labor district authorities of the likely effects of any downsizing or restructuring that will result in dismissal of five or more employees in a period of 120 days.

Companies employing at least 250 employees and planning to make at least 50 employees redundant are required to trigger a special dismissal procedure 90 days in advance. If the employer fails to



comply with this obligation, the so-called “dismissal ticket” (i.e., the dismissal fee to be paid to the Italian National Institute for Social Security) will be doubled and the dismissals carried out may be held to be null and void.

## Consultation

Unions may ask to discuss the matter jointly with the employer and the competent labor district authorities in order to evaluate any alternative solutions to collective dismissals.

Within the context of such information and consultation procedure, the employer and the trade unions may reach an agreement (a) to enable the affected employees to have access to special public redundancy funds (*Cassa Integrazione Guadagni*) before dismissal, or (b) to reduce the employees’ working time for a given period as a measure in lieu of dismissal (*Contratti di Solidarietà*).

# PROTECTION OF ASSETS

## I. CONFIDENTIAL INFORMATION

Article 2105 of the Italian Civil Code prevents employees from divulging or making use of any information relating to the organization or production techniques of the employer in such a way that may compromise the employer or its activity.

Individual employment agreements may include provisions protecting the confidentiality of an employer's confidential information, including information relating to intellectual property, clients, and employees.

## II. CONTRACTUAL RESTRAINTS AND NONCOMPETES

Confidentiality provisions restrict employees from using confidential information for anything other than their duties. These provisions restrain employees from using confidential information during employment and for a period of time after employment.

Article 2105 of the Italian Civil Code provides a specific "duty of loyalty" preventing an employee from engaging in any business, either in the employee's name or on somebody else's behalf, in competition with the employer.

Provisions preventing an employee from competing with his or her former employer for a given period after termination of the employment relationship may be agreed upon in writing by the parties at the same time as execution of the employment agreement, provided that the noncompete obligation does not exceed "reasonable limits" in terms of subject matter, time, and space. In such cases, according to Article 2125 of the Italian Civil Code, the noncompete clause must include fair compensation and specific zone, activity, and time limits.

## III. PRIVACY OBLIGATIONS

Legislative Decree no. 196/2003, also known as the Personal Data Protection Code (PDPC), as amended by Legislative Decree no. 101/2018 in accordance with the provisions of the EU General Data Protection Regulation, imposes onerous obligations on the employer with respect to the collection, treatment, and disclosure of employees' personal information.

The Italian Data Protection Authority (*Autorità Garante per la protezione dei dati personali*) is empowered by law to monitor and ensure substantial compliance with provisions of the PDPC by any intended recipient and, in case of any breach, to determine applicable remedies.

## IV. WORKPLACE SURVEILLANCE

There are limitations on the manner in which employers may monitor employees. The law generally prohibits monitoring of employees for work surveillance purposes. Audio or video surveillance is allowed only with prior notice to company unions, if any, and to the labor inspector's office, and only if the surveillance is justified by organizational or workplace security reasons.

Previous agreement with unions and the labor inspector's office is required only in certain circumstances where the investigation involves exclusively the working tools assigned to the employee to perform his or her daily working activity. However, in those cases, the employee must be provided with a detailed policy specifying both the terms and conditions of use of working tools and the checks that will be carried out by the employer.

## V. WORKPLACE INVESTIGATIONS

An employer cannot carry out an investigation, even via a third party, on the political, religious, or trade union opinions of an employee or investigate any fact that is not strictly relevant to the employee's working activity. Under very specific circumstances, the employer is permitted to conduct an investigation on a given employee (even through a specialized investigation company) where there are grounds to believe that such employee has seriously infringed his or her obligations under the employment agreement or has committed an offense.

# WORKPLACE BEHAVIOR

## I. MANAGING PERFORMANCE AND CONDUCT

Disciplinary rules relating to sanctions, breach of duties, and grievance procedures need to be disclosed to employees and published within the company in locations that are easily accessible to all employees.

An employer cannot adopt any disciplinary sanction without first providing the written charge to the interested employee and subsequent consultation with the same, who has the right to render his or her justifications in writing within a given time frame (usually, within five days of receipt of the letter of charge).

An employee may also request to be heard by the employer with the assistance of a trade union representative.

## II. BULLYING AND HARASSMENT

### Bullying

Bullying is not a crime but may be prosecuted in connection with several types of criminal offenses provided by the Italian Penal Code, such as beating and procured injury (Articles 581 and 582), threatening (Article 612), revilement and defamation (Articles 594 and 595), damage to property (Article 635), harassment (Article 660), and stalking (Article 612-bis).

### Harassment

Under Italian caselaw, harassment constitutes behavior aimed at offending, humiliating, or intimidating another person (including sexual harassment) and is considered to be a serious criminal offense when carried out in the workplace.

## III. DISCRIMINATION

General discrimination is widely prohibited by Article 3 of the Italian Constitution and, with specific regard to employment, by Articles 8, 15, and 16 of the Statute of Workers.

In particular, the following covenants are considered by law as null and void:

- Those intending to subordinate hiring to joining or not joining any trade union organization.
- Those providing for dismissal or other sanctions in the event of affiliation with unions or attendance at strikes.
- Those discriminating against employees on the basis of political opinions, religious views, language, sex, disability, age, sexual orientation, or personal beliefs.

Different economic treatment for discriminatory purposes is also prohibited by law.

In addition, companies employing more than 50 employees are required biannually to submit a formal report on their workplace demographics and gender equality to the competent administrative authority. Failure to comply with such obligation may expose the company to an administrative sanction ranging from €103 to €516.

## IV. WHISTLEBLOWING

### Mandatory Channel

EU Directive no. 1937/2019 on the “protection of persons who report breaches of Union law” required EU member states to adopt specific internal law on whistleblowing.

In March 2023, Italy implemented the directive through the approval of Legislative Decree no. 24/2023 (Whistleblowing Decree).

Employers that are staffed with 50 or more employees or that adopted the organizational and management model required by Legislative Decree no.231/2001, or which operate in markets expressly mentioned by the law (e.g., financial services, products and markets, transport safety, environmental protection, prevention of money laundering and terrorism), must establish internal channels and procedures for reporting violations of regulatory provisions that could affect the interest or integrity of the public administration or of a company.

### Whistleblowers’ Protection

The Whistleblowing Decree includes measures to protect whistleblowers from employers’ “retaliatory” acts caused by their report. Any dismissal or other adverse action (e.g., suspension or similar measures, demotion or failed promotion, change of duties, change of place of work, reduction of salary, change of working hours) taken toward the whistleblower for retaliatory reasons is null and void.

## V. UNIONS

### Representation

Employees and independent contractors can choose to be represented by a union. Any union validly appointed to represent an employee or group of employees must be acknowledged and dealt with according to the law.

### Unions in the Workplace

In companies employing more than 15 employees, workers are entitled to establish a works council (known as the RSU/RSA) and to call trade union meetings. In companies employing more than 50 employees, works councils are entitled to be informed of the course of business and of the main resolutions taken by the company.

Within the context of companies employing more than 200 employees, the employer must provide a permanent, suitable venue for unions to have meetings and carry out other union activities. In businesses with fewer than 200 employees, unions may request to be provided with suitable venues to have meetings.

### Industrial Disputes


It is lawful to take industrial action (e.g., strikes, lockouts, slowdowns) only under certain circumstances prescribed by both law (as to public employment) and caselaw.

## VI. REMOTE/HYBRID WORK

As a general rule, employees are not entitled to hybrid work. Hybrid work should instead be agreed upon with the employer.

Any arrangements relating to hybrid work should be incorporated into a proper individual smart-working agreement to be made in writing, and a formal communication to the competent labor office





should be submitted. Failure to notify or delay in complying with the deadlines (i.e., within five days after the beginning of the employment relationship) may result in an administrative penalty ranging from €100 to €500 for each employee concerned. Moreover, employers are required to properly inform employees of the health and safety risks connected to hybrid work. As a general rule, the parties are entitled to withdraw the smart-working agreement due to serious reasons or upon a 30-day notice in the event of an open-ended smart-working agreement.

Article 4, paragraph 1, of Legislative Decree No. 105/2022 provides that employers must give priority to hybrid work requests submitted by employees for any of the following reasons:

- Employees who have a serious disability.
- Employees who have children up to 12 years old.
- Employees who have children with a disability, irrespective of their age.
- Employees who act as family caregivers assisting individuals with a serious disability.

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