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Procedure for handling reports

1 Regulatory references

Whistleblowing was introduced in Italy with specific legislation at the end of 2017, with the Law No. 179. This legislation comprehensively regulated the institution for the public administration, whilst introducing some provisions also for entities in the private sector having a management and control organisational model pursuant to Legislative Decree no.231/2001.

Law No.179/2017 has been superseded by Legislative Decree No.24/2023, which transposes Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report violations of Union law. It also lays down provisions concerning the protection of persons who report violations of national laws.

The new legislation lays down obligations for both public and private organisations. Specifically, all public bodies must establish internal procedures for handling reports. Similarly, this obligation applies to private sector entities with an organisational model pursuant to Legislative Decree no. 231/2001 and to all private organizations with at least 50 employees.

2 Who can make a report

Whistleblowing procedures encourage anyone who acquires, in the context of their work activity, information about wrongdoing committed by or on behalf of the organisation to report it.

The purpose of the procedure is to facilitate the reporting of information about violations encountered in the course of work activities. For this purpose, the spectrum of potential reporting persons is very broad. The procedure is intended to guarantee these persons when they report unlawful conduct relating to the organisation.

The following categories of persons may report through the procedure:

- o Employees
- o Collaborators
- o Suppliers, sub-suppliers and their employees and their collaborators
- o Freelancers, consultants, self-employed professionals
- o Paid or unpaid volunteers and trainees
- o Shareholders or persons with administrative, management, supervisory, control or representative functions
- o Former employees, former collaborators or people who no longer hold one of the above positions
- o People undergoing recruitment, probationary period or whose legal relationship with the Company has not yet begun

The procedure also protects the identity of facilitators, the natural persons who assist a reporting person in the reporting process, operating within the same work context.

3 What can be reported

Illegal facts of which you become aware in the context of your work activity may be reported under this procedure. Qualified suspicions of offences or other violations of the law or potential risks of their commission may also be reported.

The reporting person is not required to provide full evidence of the commission of an offence, but reports should be as detailed as possible, in order to allow the receiving persons to ascertain the facts reported. At the same time, whistleblowers are not asked to engage in investigation activities that might expose them individually.

Reports may concern criminal, civil, administrative or accounting offences, as well as violations of EU regulations.

Reports of a personal nature, e.g. concerning one's employment contract, which are governed by other procedures of the Company, do not fall within the scope of this procedure.

4 Who receives and handles whistleblowing reports

The Whistleblowing Officer receives whistleblowing reports and engages in dialogue with the reporting person in order to clarify and further investigate the information received. The dialogue with the reporting person also continues during the investigation phases.

The Officer, after an initial assessment, carries out verification of the reported information, also by requesting specific information from other offices and functions within the organisation.

The receiving person provides periodic feedback to the reporting person and, at the end of the assessment activity, communicates the outcome. The communication of the outcome does not include references to personal data relating to the reported person, if any.

Among the possible outcomes that may be communicated to the reporting person are:

- o correction of internal processes
- o initiation of disciplinary proceedings
- o transfer of findings to the Public Prosecutor's Office
- o archiving for lack of evidence

A whistleblowing report that is mistakenly sent to the hierarchical superior may not be treated as a whistleblowing report, since the latter does not have the same confidentiality obligations as the receiving person.

5 Channels for reporting

The Company provides reporting persons with different channels for reporting violations under this procedure. In particular, reports can be made both verbally and in writing.

With regard to reports in written form, the Company provides an encrypted IT platform, supplied by NTS Project S.p.A..

A questionnaire is uploaded onto the platform, which guides the reporting person through both open-ended and closed-ended questions, some of which are mandatory. It is also possible to attach documents to the report. At the end of the reporting process, the reporting person receives a unique code, with which they can access the report and communicate bi-directionally with the receiving person, exchange messages and send new information. All information on the platform is encrypted and can only be read by persons authorised to receive the report.

It is not possible to handle other reports received in written form. If these are sent, the receiving party will, if possible, invite the reporting person to resubmit the report via the IT platform.

For verbal reports, we invite the reporting person to contact the receiving person, requesting availability for a telephone interview or, possibly, a personal meeting. Oral reports are minuted and the verbatim report must be signed by the reporting person in order to be processed. It should be noted that oral reports do not offer the same technological confidentiality as reports made through an encrypted platform.

6 Timing for handling reports

At the end of the reporting process, the platform displays a code confirming that the report has been delivered and taken over by the receiving person.

Within 7 days, the receiving person confirms to the reporting person that the report has been acknowledged and invites the reporting person to monitor their report on the platform to respond to possible requests for clarification or further investigation.

Within 3 months from the day of the report, the receiving person provides the reporting person with feedback on the fact-finding activities carried out to verify the

information disclosed in the report.

The feedback provided within 3 months may coincide with the outcome of the investigation activities. If these are not completed, the receiving person invites the reporting person to keep the platform monitored until the final outcome is known.

7. Confidentiality and anonymity

The receiving person is required to treat reports while preserving their confidentiality. Information on the identity of the reporting person, the reported person and any other person mentioned in the report is treated in accordance with the principles of confidentiality. Likewise, all information contained in the report is also treated confidentially.

The identity of the reporting person may not be revealed without their consent. Knowledge of the reports and the relevant investigative acts are also excluded from the right of administrative access by the persons concerned.

The only possible reason for revealing the identity of the reporting person may be in the event that the investigation documents are filed with a public prosecutor's office or an accountant's office and knowledge of them is necessary for the right of defence during judicial proceedings.

Confidentiality is ensured through technological tools, such as an encrypted platform for reporting and a confidential protocol, and within organisational processes aimed at minimising the circulation of information.

Anonymous reporting is also possible. The receiving person may decide whether or not to process them. In any case, reports are processed according to the same principles of confidentiality. However, in the case of anonymous reports, the receiving person does not know the identity of the reporting person and may unintentionally expose them during the investigation activities.

8. Handling of personal data

Reports received, assessment activities and communications between the reporting person and the receiving person are documented and stored in accordance with confidentiality and data protection requirements.

Reports contain personal data and may only be processed and kept for as long as necessary for their processing: this time includes analysis, assessment activities and communication of outcomes, as well as any additional time for possible additional comments. In no case will reports be kept longer than 5 years after the outcome of the assessment activities has been communicated to the reporting person.

With regard to access to personal data, these are only known by the receiving person and, if indicated in a specific organisational act, by members of the staff supporting the handling of the report.

In the course of the assessment activities, the receiving person may share previously anonymised and minimised information with other departments of the Company with respect to the specific activities for which they are responsible.

9. Safeguards and protections

The person referred to in the report as being responsible for the suspected wrongdoing shall benefit from identity protection measures similar to those of the reporting person and of the other persons mentioned in the report.

In addition to the protection of the confidentiality of the identity of the reporting person and of the persons mentioned in the report, as well as of the content of the report, there are other forms of protection guaranteed through this procedure.

In fact, the reporting person is guaranteed protection against any form of retaliation or discrimination that he or she may suffer as a result of a report. Retaliation is defined as any threatened or actual, direct or indirect action or omission, related to or arising from reports of actual or suspected wrongdoing, which causes or is likely to cause physical or psychological harm, damage to the person's reputation, economic loss.

Possible forms of discrimination include:

- o dismissal, suspension or equivalent measures;
- o downgrading or non-promotion;
- o change of duties, change of workplace, reduction of salary, change of working hours;
- o suspension of training or any restriction on access to it;
- o merit notes or negative references;
- o disciplinary measures or other sanctions, including fines;
- o coercion, intimidation, harassment or ostracism;
- o discrimination or unfavourable treatment;
- o failure to convert a fixed-term employment contract into an indefinite one where the employee had a legitimate expectation of such conversion;
- o non-renewal or early termination of a fixed-term contract;
- o damage, including to a person's reputation, economic or financial loss, including loss of economic opportunities and income;
- o inclusion on improper lists on the basis of a formal or informal sectoral or industry agreement, which may result in the person being unable to find employment in the sector in the future;
- o premature termination or cancellation of a contract for the supply of goods or services; cancellation of a licence or permit; requirement to undergo psychiatric or medical examinations.

10. Sanctions

Legislative Decree No. 24/2023 provides for administrative sanctions, which may be imposed by the National Anti-Corruption Authority in the event of a breach of the whistleblowing rules.

The sanctions specifically concern any retaliation against whistleblowers, breaches of the obligation of confidentiality, boycotting an attempt to report, failure to take charge of a report or insufficient investigative activity initiated as a result of a report. Abuses of the reporting system are also punishable, with possible sanctions for anyone who slanders or defames another person by means of the procedure. The Company may take disciplinary action against the persons responsible for such conduct.

11. External channels for reporting

Outside the internal whistleblowing procedure, the law also allows for external reports to be made to the National Anti-Corruption Authority.

The reporting person may report externally to the Company if they have already made a report that has not been followed up, if they have reasonable grounds to believe that an internal report will not be followed up or that it may result in a risk of retaliation, or if they have reasonable grounds to believe that the violation may constitute an imminent or obvious danger to the public interest.

The modalities for reporting to the National Anti-Corruption Authority are available on the dedicated page on the ANAC website: anticorruzione.it/-/whistleblowing.

There are additional conditions for a whistleblower to make a public disclosure: failure to respond to a previously made internal or external report, imminent or obvious danger to the public interest, reasonable grounds that an internal report will not be dealt with or that evidence of the report may be destroyed or concealed.