

WHISTLEBLOWING SYSTEM · TECNORD S.R.L.

WHISTLEBLOWING PROCEDURE

Revision

Rev. 0

Adoption

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1. INTRODUCTION.

This procedure has the purpose of defining and regulating the process of submission, examination and management of reports (whistleblowing), including anonymous reports, concerning information relating to violations of laws and regulations as defined by Legislative Decree No. 24/03 and referred to below in this procedure.

For anything not expressly indicated, the provisions set out in the above-mentioned legislation obviously remain applicable; these are summarised below in their main aspects:

- a system of protection is established for certain persons who report information, acquired in the work-related context, concerning violations of national or European Union regulatory provisions that harm the public interest or the integrity of the legal person;
- protective measures are provided, including the prohibition of retaliation, to protect the Reporting Person as well as Facilitators, the colleagues and relatives of the Reporting Person, and legal entities connected to the Reporting Person;
- a channel is created for the internal transmission of Reports within the company, which contemplates various methods (including one of an IT nature) for the transmission of Reports, such as to guarantee, including through the use of cryptographic tools, the protection of the confidentiality of the identity of the Reporting Person, of the Person Concerned and/or any person otherwise mentioned in the Report, of the content of the Report and of the related documentation;
- in addition to the option of filing a complaint with the judicial authority or the accounting judicial authority, provision is made for the possibility (where one of the conditions set out in art. 6, paragraph 1, of Legislative Decree No. 24/2023 applies) of making External Reports through the channel managed by the Italian National Anti-Corruption Authority, as well as of making Public Disclosures (where one of the conditions set out in art. 15, paragraph 1, of Legislative Decree No. 24/2023 applies), through the press or electronic means or means of dissemination capable of reaching a large number of people;
- a system of disciplinary measures is established, as well as pecuniary administrative sanctions imposed by ANAC in the event of violation of certain requirements of Legislative Decree No. 24/2023.

In order to implement the regulatory obligations and encourage the emergence of Reports relevant under Legislative Decree No. 24/2023, the company has accordingly organised itself to make available a communication system that ensures the confidentiality and anonymity of the Reporting Person, excluding the risk of retaliation and discrimination.

2. ADDRESSEES.

This procedure applies to the following persons, where they intend to report the violations as subsequently defined in this procedure:

- Shareholders, members of the Board of Directors and of the corporate bodies of Tecnord S.r.l. (hereinafter Tecnord S.r.l.), members with administration, management, control or supervisory functions, and persons with representative functions, even where such functions are performed on a de facto basis;

- Employees, suppliers, customers, subordinate workers, former employees (where the information was acquired during the employment relationship), self-employed workers or persons providing collaboration, freelance professionals and consultants of Tecnord S.r.l., trainees, interns or volunteers, candidates for employment positions (where the information was acquired during the selection process or in other pre-contractual stages).

The protective measures identified by law and implemented by this procedure also apply to:

- Facilitators;
- persons within the same work-related context as the Reporting Person, or of the person who has filed a complaint with the judicial authority or the accounting judicial authority or who has made a public disclosure, and who are bound to them by a stable emotional relationship or by a family relationship up to the fourth degree;
- work colleagues of the Reporting Person or of the person who has filed a complaint with the judicial authority or the accounting judicial authority or has made a public disclosure, who work within the same work-related context as that person and who have a habitual and current relationship with that person;
- entities owned by the reporting person or by the person who has filed a complaint with the judicial authority or the accounting judicial authority or who has made a public disclosure, or for which the same persons work, as well as entities operating within the same work-related context as the aforementioned persons.

A person acting as a trade union representative does not fall within the addressees of this policy, since the whistleblowing framework is aimed at protecting the individual natural person acting in their own name and on their own behalf, not acting in a trade union capacity. In such cases, Reports are filed as lacking the necessary personal standing.

3. PURPOSE AND SCOPE OF APPLICATION.

The purpose of this procedure is to define the methods of receipt, acknowledgement, analysis, management and subsequent filing of Reports (as defined below), including anonymous Reports, aimed at denouncing:

- unlawful conduct falling within the scope of application of European Union or national acts relating to the following sectors: public procurement; financial services, products and markets, and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and protection of personal data and security of network and information systems;
- acts or omissions harming the Union's financial interests as referred to in Article 325 of the Treaty on the Functioning of the European Union, as specified in relevant European Union secondary legislation;
- acts or omissions relating to the internal market, as referred to in Article 26(2) of the Treaty on the Functioning of the European Union, including violations of European Union competition and State aid rules, as well as violations relating to the internal market connected with acts that infringe corporate tax rules or with arrangements the purpose of which is to obtain a tax advantage that defeats the object or purpose of the applicable corporate tax law;
- acts or conduct that defeat the object or purpose of the provisions of the Union acts in the sectors indicated above.

The following reports are excluded:

- disputes, claims or requests connected with a personal interest of the Reporting Person that relate exclusively to the employment relationship or to relations with hierarchically superior figures;
- violations relating to national security, as well as procurement relating to defence or national security aspects, unless such aspects fall within European Union secondary legislation;
- violations mandatorily governed by European Union or national acts, as indicated in art. 1, para. 2, letter b), of Legislative Decree No. 24/2023 (relating to financial services, products and markets and the prevention of money laundering and terrorist financing, transport safety and environmental protection);
- facts or circumstances falling within the scope of national or European Union provisions on classified information, legal or medical professional privilege, and the secrecy of the deliberations of judicial bodies, or falling within the scope of national provisions on criminal procedure, the autonomy and independence of the judiciary, the provisions on the functions and powers of the High Council of the Judiciary (Consiglio Superiore della Magistratura), national defence and public order and security, as well as on the exercise and protection of workers' rights to consult their representatives or trade unions, protection against conduct or unlawful acts carried out in connection with such consultations, the autonomy of the social partners and their right to enter into collective agreements, and the suppression of anti-union conduct;
- commercial complaints, which must be addressed to the relevant company function;
- requests to exercise rights relating to the protection of personal data, which must be sent to the person responsible for data processing;
- facts relating to unlawful conduct governed by Legislative Decree No. 231/01, insofar as it has not been adopted by the company.

Reports must concern facts directly known to the Reporting Person, excluding those based on mere rumour.

4. OPERATING PROCEDURE.

Without prejudice to the powers reserved by law to the Board of Statutory Auditors (Collegio Sindacale), the person responsible for the process governed by this procedure is to be identified as the person responsible for managing the report. This role has been assigned by Tecnord S.r.l. to a party external to the company, possessing suitable skills and professionalism, who has been formally appointed as the person responsible for the processing of personal data.

To follow up on the report, the person responsible may make use of the internal audit function, requesting any further analysis or verification that may prove necessary; the internal audit function also carries out any further analysis requested by ANAC in the case of external reports or public disclosures.

4.1 CONTENT OF THE REPORT

The Reporting Person must provide all the elements useful for carrying out the verifications and checks necessary to assess the well-foundedness of the Report.

In particular, it is suggested that the Report:

1. describe clearly and completely where, how and when the reported facts occurred;
2. indicate the personal details or other elements useful for identifying the person who committed the fact that is the subject of the report;
3. indicate any other persons who may provide information on the reported facts;

4. indicate or provide any documents useful for proving the merits of the Report;
5. provide any other information or evidence that may constitute useful confirmation as to the existence of the matter reported.

Finally, without prejudice to the fact that Reports may also be made anonymously, it is important that the Reporting Person, where they do not intend to remain anonymous, indicate their personal details and useful contact information for the transmission of the acknowledgement of receipt of the report.

4.2 METHOD OF THE REPORT

4.2.1. INTERNAL REPORTING CHANNEL

Tecnord S.r.l. has equipped itself with an IT platform called "WHISTLEBLOWINGIT", on which this procedure is published, together with the privacy notice.

It is a cloud-based application, managed by an external provider (which has received the appropriate appointment as the person responsible for data processing) and can be accessed from the company website www.tecnord.com, in the whistleblowing section. It complies with the requirements and features set out in the Decree and in the Guidelines issued by the Italian National Anti-Corruption Authority (Anac).

The Reporting Person will be guided through every stage of the Report and will be asked, in order to provide the best possible detail, to complete a series of fields on a mandatory basis in accordance with the requirements. At the end of entering the Report, the platform provides an alphanumeric code generated randomly and automatically, which cannot be reproduced, with which the Reporting Person may at any time view the processing status of their Report and interact with the person responsible through a messaging tool. The Report may be viewed and managed only by the person responsible for the channel, who holds unique credentials for access.

The platform allows Reports to be submitted, even anonymously and in any event always with adequate data security safeguards, both in writing and orally. It is also noted that it is possible to request a meeting with the person responsible for managing the reports in order to make an oral report, again by accessing the same platform. In that case the person responsible for managing the reports will contact the reporting person again through the reporting-management platform to agree the timing and arrangements for the oral report, which may be made – at the reporting person's choice – either through an in-person meeting or by telephone.

Every Report made orally will be audio-recorded in order to keep a record of its content.

The Report may also be made in paper form, by registered mail addressed to the registered office of Tecnord S.r.l., taking care to specify on the back of the envelope the wording "whistleblowing – do not open".

In any event, whoever receives a Report, in any form (oral or written), must transmit it promptly, and in any event within 7 days of its receipt, to the person responsible for managing the reports through the IT platform identified above, giving contextual notice of the transmission to the Reporting Person, where identified. They are also required to transmit the original of the report, including any supporting documentation, as well as evidence of the communication to the Reporting Person of the report having been forwarded. They may not retain a copy of the original and must delete any digital copies, refraining from undertaking any independent initiative of analysis and/or further examination. They are likewise required to maintain the confidentiality of the identity of the Reporting Person, of the persons concerned and/or otherwise mentioned, of the content of the Report and of the related documentation.

Failure to communicate a Report received, as well as breach of the confidentiality obligation, constitute a breach of the procedure and may result in disciplinary measures being taken.

It is noted that any Reports concerning matters within the purview of the Board of Statutory Auditors will be transmitted to it promptly and in any event within 7 days of their receipt.

Likewise, and within the same time limit, the Board of Statutory Auditors will transmit to the person responsible for managing the report, using the internal channel (platform), any reports received but falling – under this procedure – within the competence of the person responsible for managing the report.

4.2.1.2 ACTIONS FOLLOWING RECEIPT OF THE REPORT

The person responsible for managing the report, also making use of the corporate audit function, analyses and evaluates the Reports received in order to identify those falling within the scope of application of this procedure.

To this end, again through the IT platform, the person responsible for managing the report:

- acknowledges the Reporting Person (where identified) within 7 days of receipt of the Report by sending an acknowledgement of receipt of the Report;
- opens the investigation phase, with the option of making use of the corporate audit function, of carrying out independent further analysis, including through recorded or transcribed interviews with the Reporting Person, the reported person, persons with knowledge of the facts, and the Facilitator, and of consulting any company advisers, as well as obtaining any documentation useful for the investigation;
- within 3 months of sending the acknowledgement of receipt (save for a further extension of 3 months in the case of a particularly complex investigation), provides the Reporting Person with information on the follow-up to the report, specifying whether the report falls within the scope of application of Legislative Decree No. 24/2023;
- files the report where it is:
 - a) concerning facts excluded from the scope of application of this procedure pursuant to the preceding point 3. In that case the Report will be forwarded to the relevant company function for assessment;
 - b) generic or not adequately detailed;
 - c) manifestly unfounded. In such a case, provided the Report was not made anonymously, it will be forwarded to the Board of Directors so that it may assess – where appropriate together with other company functions – whether it was made in bad faith, or for the sole purpose of harming the reputation of, or otherwise damaging in any way, the Reported Person, with a view to taking any action/sanctions against the Reporting Person;
 - d) relating to facts already the subject of a previous check, where no new circumstances useful for reopening the Report emerge;
 - e) unfounded following the investigation, or not verifiable.
- Where the report is well-founded, reports to the Board of Directors and to the Board of Statutory Auditors, drawing up a summary note of the subject matter of the report, the investigations carried out and the related outcomes. Upon receipt of the summary note, the Board of Directors and the Board of Statutory Auditors, as far as they are respectively concerned, adopt any action plans to resolve the critical issues that may have facilitated the commission of the unlawful conduct; they take any action to protect Tecnord S.r.l. and also assess whether to initiate any disciplinary proceedings in accordance with the Statute or as otherwise provided under the applicable/applied national collective bargaining agreement (CCNL).

4.2.2. EXTERNAL REPORTING CHANNEL

The Reporting Person may make an External Report to ANAC using the portal accessible from the ANAC institutional website if, at the time of its submission, one of the following conditions applies:

- a) the mandatory activation of the internal reporting channel is not provided for in their work-related context, or this channel, even if mandatory, is not active or, even if activated, does not comply with the requirements of Article 4 of Legislative Decree No. 24/2023
- b) the Reporting Person has already made an Internal Report and it has not been followed up;
- c) the reporting person has well-founded reasons to believe that, if they made an Internal Report, it would not be effectively followed up, or that the Report itself could give rise to a risk of retaliation;
- d) the Reporting Person has well-founded reason to believe that the breach may constitute an imminent or obvious danger to the public interest.

4.2.3. PUBLIC DISCLOSURE

The Reporting Person may make use of what is known as public disclosure, making information on breaches publicly available through the press or electronic means or other means of dissemination capable of reaching a large number of people.

A Reporting Person who makes a public disclosure benefits from the protection provided for by decree Legislative Decree No. 24/2023 if, at the time of the public disclosure, one of the following conditions applies:

- a) the Reporting Person has previously made an Internal Report and an External Report, or has made an External Report directly, and no feedback was provided within the applicable time limits regarding the measures envisaged or taken to follow up the Reports;
- b) the Reporting Person has well-founded reason to believe that the breach may constitute an imminent or obvious danger to the public interest;
- c) the Reporting Person has well-founded reason to believe that the External Report may give rise to a risk of retaliation, or may not be effectively followed up, owing to the specific circumstances of the case, such as where evidence may be concealed or destroyed, or where there is a well-founded fear that the person who received the report may be colluding with, or involved in, the breach itself.

The rules on the professional secrecy of persons engaged in the journalistic profession remain unaffected, with regard to the source of the news.

5. GUARANTEES AND PROTECTIONS

Where the conditions set out in Article 16 of Legislative Decree No. 24/2023 apply (that is, where the Report or disclosure is made using the methods and channels made available and the person had well-founded reason to believe that the information was true and fell within the scope of matters covered by this procedure,) it is the responsibility of the Report Manager to guarantee the confidentiality of the Reporting Person from the moment the Report is taken in hand, even where it should subsequently prove to be incorrect or unfounded.

Failure to comply with this obligation constitutes a breach of the procedure and, accordingly, a source of possible sanctions under the Statute and the applicable CCNL.

Reports may not be used beyond what is necessary to give them due follow-up.

The identity of the Reporting Person and any other information from which that identity may be inferred, directly or indirectly, may not be disclosed, without the express consent of the Reporting Person, to persons other than those competent to receive or follow up Reports who are expressly authorised to process such data pursuant to Articles 29 and 32(4) of Regulation (EU) 2016/679 and Article 2-quaterdecies of the Italian Personal Data Protection Code, referred to in Legislative Decree of 30 June 2003, No. 196.

In criminal proceedings, the identity of the reporting person is protected by the confidentiality requirements set out in and within the limits of Article 329 of the Italian Code of Criminal Procedure.

The Report and the documentation attached to it may not be inspected, nor may copies be extracted, by any requesting party. Except in the cases referred to in Article 16(3) of Legislative Decree No. 24/2023 (that is, where it has been established, including by a first-instance judgment, that the Reporting Person is criminally liable for defamation or malicious accusation or other equivalent offences committed by filing the complaint with the judicial authority or the accounting judicial authority, or is civilly liable on the same grounds in cases of wilful misconduct or gross negligence), the identity of the Reporting Person remains protected at every subsequent stage following the Report; accordingly, save for the exceptions referred to above, the identity of the Reporting Person may not be disclosed without their express consent.

In proceedings before the Court of Auditors (Corte dei Conti), the identity of the reporting person may not be disclosed until the investigation phase has been closed.

In disciplinary proceedings, the identity of the reporting person may not be disclosed where the disciplinary charge is based on findings that are separate from and additional to the Report, even if made as a consequence of it. Where the charge is based, in whole or in part, on the Report and knowledge of the identity of the Reporting Person is essential for the defence of the accused, the Report may be used for the purposes of disciplinary proceedings only with the express consent of the Reporting Person to disclosure of their identity.

In such cases, as well as in Internal and External Reporting procedures, where disclosure of the identity of the Reporting Person and of the information relating to the Report is essential also for the defence of the person concerned, the Reporting Person is notified in writing of the reasons for disclosure of the confidential data.

Public- and private-sector entities, ANAC, and the administrative authorities to which ANAC forwards External Reports within their competence, shall protect the identity of the persons concerned and of the persons mentioned in the report until the conclusion of the proceedings initiated as a result of the Report, in accordance with the same safeguards provided for the Reporting Person.

The Report is exempt from the right of access provided for under Articles 22 et seq. of Law No. 241 of 7 August 1990, as well as Articles 5 et seq. of Legislative Decree of 14 March 2013, No. 33. In Internal and External Reporting procedures, the person concerned may be heard or, at their request, shall be heard, including by way of a written procedure through the submission of written observations and documents.

6. PROTECTIVE MEASURES AND PENALTY SYSTEM

Tecnord S.r.l. guarantees that no retaliation or discrimination, whether direct or indirect, is permitted or tolerated against the Reporting Person or against the persons to whom the protective measures extend (Facilitators, colleagues and relatives up to the fourth degree of the Reporting Person, and legal entities connected to the Reporting Person) for reasons connected, even indirectly, with the report having been made.

Pursuant to Article 17 of Legislative Decree No. 24/2023, retaliation includes, among other things:

- a) dismissal, suspension or equivalent measures;
- b) demotion or failure to obtain promotion;
- c) change of duties, change of place of work, reduction of salary, change in working hours;
- d) suspension of training or any restriction of access to it;
- e) negative performance assessments or negative references;
- f) adoption of disciplinary measures or other sanctions, including monetary sanctions;
- g) coercion, intimidation, harassment or ostracism;
- h) discrimination or otherwise unfavourable treatment;
- i) failure to convert a fixed-term employment contract into a permanent employment contract, where the worker had a legitimate expectation of such conversion;
- l) failure to renew, or early termination of, a fixed-term employment contract;
- m) damage, including to the person's reputation, particularly on social media, or economic or financial harm, including loss of economic opportunities and loss of income;
- n) 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 or industry in future;
- o) early termination or cancellation of a contract for the supply of goods or services;
- p) revocation of a licence or permit;
- q) a request to undergo psychiatric or medical examinations.

Anyone who believes they have suffered discrimination as a result of a report may inform, in a detailed manner, ANAC by accessing the whistleblowing portal available on the ANAC institutional website, or the relevant trade union organisations or the National Labour Inspectorate.

Retaliatory or discriminatory dismissal of the reporting person is null and void, as is any change of duties and any other retaliatory or discriminatory measure adopted as a result of the report.

Any retaliatory action, without prejudice to ANAC's competence to impose the related sanctions, also constitutes a breach of this procedure and an unlawful act to be assessed in accordance with the Statute and the applicable CCNL.

All forms of abuse of this procedure are also grounds for disciplinary, civil and, where applicable, criminal liability, such as recourse to reports that prove unfounded, made with wilful misconduct or gross negligence, or that are manifestly opportunistic in that they are made for the sole purpose of harming the accused person or other persons, as well as any other case of improper use or intentional misuse of this procedure for purposes other than those for which it is intended.

For the procedure for applying any sanctions, reference is made to the statute and to the applicable CCNL.

7. DATA PROCESSING AND RETENTION OF DOCUMENTATION RELATING TO REPORTS

Reports and the related documentation are retained for the time necessary to process the Report and, in any event, for no longer than five years from the date on which the final outcome of the reporting procedure is communicated, in compliance with the confidentiality obligations set out in Article 12 of Legislative Decree No. 24/2023 and the principle set out in Articles 5(1)(e) of Regulation (EU) 2016/679 and 3(1)(e) of Legislative Decree No. 51 of 2018.

Where Reports are received that do not fall within the scope of application of this procedure, they are retained for a period of no more than twelve months from the date they are filed.

Where a recorded telephone line or another recorded voice-messaging system is used for the Report, the Report, subject to the consent of the Reporting Person, is documented by the personnel in charge by means of a recording on a device suitable for storage and playback.

Where, at the request of the Reporting Person, the Report is made orally during a meeting with the personnel in charge, it is, subject to the consent of the Reporting Person, documented by the personnel in charge by means of a recording on a device suitable for storage and playback.

8. REVIEW OF THE ORGANISATIONAL FRAMEWORK

This organisational framework may be subject to review in relation to subsequent regulatory or statutory developments, or as a result of reports, contributions or suggestions received from stakeholders (e.g. employees, customers, suppliers, investors etc.).

9. GLOSSARY

Work-related Context: work-related or professional activities, whether current or past, carried out by a person within the legal relationships they have established with Tecnord S.r.l..

Public Disclosure: making information on breaches publicly available through the press, or electronic means, or otherwise through means of dissemination capable of reaching a large number of people.

Facilitator: the person who assists the Reporting Person in the reporting process and who operates within the same Work-related Context, and whose assistance must be kept confidential.

Report Manager: the person(s) appointed by the Company to receive and manage Reports.

Reporting Person: a person who makes a Report through the internal or external reporting channel, a complaint, or a public disclosure.

Reported Person: the natural or legal person mentioned in the Report to whom the breach is attributed or otherwise attributable.

Report: any written or oral communication, including one made in an interview, even anonymously, containing information on breaches acquired within the person's own Work-related Context.

Internal Report: written or oral communication of information on breaches, submitted through the internal Reporting channel.

External Report: written or oral communication of information on breaches, submitted through the External Reporting channel activated by the Italian National Anti-Corruption Authority (ANAC).

Stakeholder: a person who has an interest in a company and may influence, or be influenced by, its activity (e.g. employees, customers, suppliers, investors etc.).