REPORTING OF ILLEGAL CONDUCT (WHISTLEBLOWING)

INDEX OF THE PROCEDURE

Documentation of changes		
Revision	Reason for the change	Date
0	New issue	September 30, 2024

1. SCOPE

Whistleblowing is a tool through which a qualified individual, holding a legal relationship as defined below, can report unlawful conduct and acts. This procedure governs the handling of reports of unlawful conduct and acts, ensuring the confidentiality of the whistleblower's identity at every stage, the protections set forth in Article 54-bis of Legislative Decree 165/2001, and also highlighting their responsibilities in the event of improper use of the mechanism.

Ledit, although not among the entities required by law to have a reporting procedure in place for unlawful conduct, has decided to integrate such a procedure into its Quality Management System.

2. SCOPE OF APPLICATION

The scope of application of the provisions on the protection of employees who report unlawful conduct against the Company extends to:
- employees of Ledit srl or equivalent workers;
- workers and collaborators of companies supplying goods or services and/or carrying out works for Ledit;
- for a complete list, please refer to Legislative Decree 24/2023.

For the purposes of applying the whistleblowing regulation, reports of unlawful conduct made only by these individuals are considered, as provided for in paragraph 1 of Article 54-bis of Legislative Decree 165/2001.
For the whistleblower to be granted the protection provided by Article 54-bis, the following conditions must be met:
- the whistleblower must have the qualification of Employee or equivalent;
- the report must concern “illegal conduct”;
- the employee must have become aware of such illicit conduct by virtue of his or her employment relationship;
- the report must be made "in the interest of the integrity and good management of the Company".

3. GENERAL INFORMATION

The report shall consist of any unlawful conduct or facts of which the persons listed in paragraph 2 become aware by virtue of their employment relationship.
Illicit conduct includes not only crimes against public administration as per Title II, Chapter I of the Criminal Code, but also situations in which, during administrative activity, a person abuses the conferred administrative power for the purpose of obtaining private benefits, as well as events in which a malfunction of the administration is highlighted due to the use of the attributed functions for private purposes, or in any case distorted.
There is no exhaustive list of all potential violations that can be reported. However, the reported issues must at least potentially violate the company's integrity and ethics or violate national/European law.

Reports based on the following are not deemed worthy of protection under this regulation:
- mere suspicions, rumours or clearly unfounded information;
- personal grievances of the whistleblower;
- information already widely publicized;
- claims relating to the employment or collaboration relationship;
- claims relating to relationships with hierarchical superiors or colleagues.

The report must be made in the interest of the integrity and legality of the Company and never in the interest of the whistleblower.

4. CONTENT OF THE REPORT

The report must be as detailed as possible and provide as many elements as the whistleblower knows to be useful for carrying out the necessary checks and controls, including for the purpose of identifying the perpetrators of the alleged unlawful conduct.

The reported illicit conduct must concern situations of which the individual has become directly aware "by virtue of the employment relationship". It certainly includes what has been learned by virtue of the office held, but also information acquired during or as a result of the performance of work duties.

The report must contain the following essential elements:
- personal details of the reporter;
- clear and as complete as possible description of the facts being reported;
- personal details of the perpetrator of the crimes, if known;
- any other persons able to report on the facts;
- any documents that can confirm the validity of the facts;
- any other information that may provide useful confirmation of the existence of the reported facts.

Whistleblowing regulations and the resulting protections do not apply to anonymous reports, i.e., reports that lack information that allows the originator to be identified. Therefore, the institution's typical protections will only be guaranteed for reports made by individuals clearly identified as per the provisions of paragraph 3.

Anonymous reports will be considered by the Administration only if they relate to particularly serious matters and only if adequately detailed and presented in sufficient detail to highlight concretely relevant facts and situations that are attributable to specific contexts at the time of the report.

5. RECIPIENTS AND REPORTING METHODS

The persons referred to in paragraph 1 who wish to report situations of unlawful conduct as per this document must write an email to the following address: segnalazioni@ledit.it

Alternatively, a post office box is located outside the production facility where a sealed envelope can be placed for the attention of the Corruption Prevention and Transparency Officer. The envelope must be marked "DO NOT OPEN - Confidential."

According to Legislative Decree 24/2023, reports can be of three types:

1. internal
2. external
3. through public disclosure

The reporting methods must necessarily be used progressively: the whistleblower can make an external report only if they have been unable to make an internal report or if this has been unsuccessful; and they can proceed to public disclosure only after having made both internal and external reports without success.

6. VERIFICATION OF THE REPORT

Appointed	Activity
RPCT (Corruption Prevention and Transparency Officer)	• The reporting entity is responsible for reviewing and verifying the report: within 20 working days of receiving it, the entity takes charge of the report and notifies the reporting party of the initiation of its investigation. • It is responsible for assessing whether the essential requirements exist to grant the whistleblower the protections provided therein. Alternatively, it is responsible for requesting further information.

Appointed	Activity
	• He is responsible for managing reports, ensuring the confidentiality of the reporter. • If necessary, request the missing information via the dedicated channel. • When necessary, it acquires records and documents from other offices, even involving third parties, always taking care not to compromise the confidentiality of the whistleblower. • He is responsible for providing information to the reporter on the progress of the investigation. • The investigator is responsible for completing the investigation within three months of its initiation and communicating the outcome to the reporting party. If additional time is required to complete the investigation, the investigator is responsible for informing the reporting party. • Should exceptional needs arise, the supervisor may form a team to assist him in his work and supervise it constantly; this team must be adequately trained, particularly regarding data processing and confidentiality requirements. • The whistleblower is responsible for transmitting the findings of the investigation, reporting on the activities carried out, to the Board of Directors for the adoption of the relevant corrective actions and subsequent measures. The identity of the reporting person is always protected. • If, in the context of criminal or accounting investigations, the judicial authority requests the RPTC, for investigative purposes, to communicate the reporting person, the RPTC will provide such information, giving prior notice to the reporting person. • He or she is responsible for maintaining the data and documents reported in accordance with the law, ensuring their utmost confidentiality. • You are responsible for retaining all documentation relating to reports for a period of 5 years from receipt, ensuring that the reporting person's identifying data is stored separately from any other data.

7. PROTECTION AND LIMITS OF THE PROTECTION OF THE REPORTER

The protection system recognizes the Whistleblower:

- Protecting the confidentiality of your identity and reporting;
- Protection from any retaliatory or discriminatory measures that may be adopted by the Company as a result of the report made;
- Exclusion from liability in the event that the whistleblower discloses, for just cause, information covered by the obligation of official, corporate, professional, scientific, or industrial secrecy (Articles 326, 622, 623 of the Criminal Code) or violates the duty of loyalty (Article 2105 of the Civil Code).

RPCT is authorized by law to process the Reporting Party's data and, where applicable, to know their identity.

Where the whistleblower deems it appropriate, he or she may, on his or her own initiative or at the request of the Data Controller, reveal his or her identity.

The identity of the whistleblower cannot be revealed, except in the following cases provided for by Article 54 bis, paragraph 3, of Legislative Decree 165/2001:

- in the context of criminal proceedings, the identity of the whistleblower is covered by confidentiality in the manner and within the limits established by Article 329 of the Code of Criminal Procedure;
- in the proceedings before the Court of Auditors, the identity of the whistleblower cannot be revealed until the investigation phase has been concluded;
- In the context of disciplinary proceedings, the identity of the whistleblower cannot be revealed if the challenge to the disciplinary charge is based on investigations that are separate and additional to the report, even if they are a consequence of it.

If, however, the complaint is based, in whole or in part, on the report and knowledge of the whistleblower's identity is essential for the accused's defense, the report will be used for disciplinary purposes only if the whistleblower consents to the disclosure of his or her identity.

The RPCT, also acting as identity custodian, is the only entity authorized to unlock the whistleblower's identifying data. In this case, the adopted report management system must record the RPCT's access to the identity. To prevent abuse, the RPCT must keep track of the reasons why it was necessary to know the whistleblower's identity.

The prohibition on disclosing the identity of the whistleblower applies not only to the whistleblower's name, but also to all elements of the report, including the documentation attached to it, to the extent that their disclosure, even indirectly, could allow the whistleblower to be identified.
The handling of such data must therefore be carried out with the utmost caution, starting with the concealment of data if, for investigative purposes, other parties need to be made aware of it.

The report is exempt from the access provided for by Articles 22 et seq. of Law No. 241 of 7 August 1990, as amended, and from the general public access referred to in Article 5, paragraph 2 of Legislative Decree No. 33/2013.

Violation of the confidentiality of the whistleblower's identity is grounds for disciplinary action.

An employee who reports unlawful conduct to the RPCT cannot be sanctioned, demoted, fired, transferred, or subjected to any other organizational measure that has a direct or indirect negative effect on working conditions, resulting from the report.

Criminal liability for the crime of "disclosure and use of official secrecy" (Article 326 of the Criminal Code) is excluded if the whistleblower discloses, for just cause, information covered by the obligation of official secrecy.
The exclusion applies within the limits set forth in Article 3 of Law 179/2017. Pursuant to paragraph 3 of the aforementioned article, "When information and documents communicated to the body responsible for receiving them are subject to corporate, professional, or official secrecy, disclosure in ways that exceed the purpose of eliminating the offense, and in particular, disclosure outside the communication channel specifically designated for this purpose, constitutes a violation of the relevant confidentiality obligation."

So-called malicious reports (i.e., cases in which it is established that the whistleblower acted with the knowledge of revealing false information) are excluded from the protections provided by Article 54-bis.

The protections provided by Article 54-bis for the whistleblower cease in the event of a ruling, even if not final at first instance, that establishes criminal liability against the whistleblower for the crimes of defamation or slander, or in any case for crimes related to the report, or civil liability for having reported false information intentionally or through negligence.
In any case, the relevant compensation action remains intact.
It remains firm that if the first-instance ruling, unfavorable to the whistleblower, is subsequently overturned in subsequent proceedings, the whistleblower's protection under Article 54-bis will apply, albeit belatedly.

8. REFERENCES

Legislative Decree 165/2001
Articles 326, 329, 622, 623 of the Criminal Code
Art. 2105 cc
Law 241/1990, and subsequent amendments
Art. 5 Legislative Decree 33/2013.
Art. 3 Law 179/2017
Legislative Decree 24/2023
Reg. 2016/679
ANAC Guidelines n. 311/2023