

CTF AUTOMAZIONI S.r.l.

INTERNAL PROCEDURE FOR REPORTING VIOLATIONS in accordance with Legislative Decree 24/2023

1. RATIONALE AND PURPOSE

Legislative Decree 24 of 10 March 2023 transposes the so-called "*Whistleblowing Directive*"¹ into our legal system, the purpose of which is to encourage reports aimed at the emergence of offences that have occurred in a work context, ensuring the whistleblower the protection of anonymity and protection from retaliation and the possibility of reporting in various ways.

With this procedure, CTF AUTOMAZIONI S.R.L. ("COMPANY" or "Entity") complies with the aforementioned legislation and prepares both safeguards to protect the whistleblower and an internal reporting channel; in particular, in accordance with the regulations, the COMPANY:

- activates and maintains appropriate measures to protect the confidentiality of the whistleblower and of the persons involved or mentioned by those who receive and manage the report;
- notes that it is forbidden to take discriminatory or retaliatory measures against the whistleblower;
- manages an internal reporting channel in accordance with the principles set out in the legislation.

This procedure constitutes an internal organizational act and is a corruption prevention measure, which integrates the three-year anti-corruption and transparency planning adopted from time to time.

2. DEFINITIONS

For the purposes of this procedure, the following definitions shall apply:

- a. '*whistleblower*' means a natural person who makes a report or public disclosure of information about breaches acquired in his or her work context;
- b. '*report*' means the communication, written or oral, of information about infringements;
- c. '*internal reporting*' means the communication, written or oral, of information on violations, submitted through the internal reporting channel set up by the COMPANY;
- d. '*external report*' means the communication, written or oral, of information on breaches, submitted through the external reporting channel set up by ANAC;
- e. '*public disclosure*' means making information about infringements publicly available in the press or by electronic means or otherwise by means of dissemination capable of reaching a large number of persons;
- f. '*facilitator*' means the natural person who assists the whistleblower in the reporting process, who works in the same work context and whose assistance must be kept confidential;
- g. '*work context*': the work or professional activities, present or past, carried out in any capacity at the COMPANY, through which a person acquires information on violations and in the context of which he or she could risk suffering retaliation in the event of a report or public disclosure or complaint to the judicial or accounting authorities;
- h. '*person concerned*' means the natural or legal person named in the internal or external report or public disclosure as the person to whom the infringement is attributed or as a person otherwise implicated in the reported or publicly disclosed infringement;
- i. '*retaliation*' means any behaviour, act or omission, whether attempted or threatened, carried out as a result of the report, the complaint to the judicial or accounting authority or the public disclosure and which causes or is likely to cause the reporting person or the person who filed the complaint, directly or indirectly, unjust harm;

¹ Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of national or European Union legislation of which they become aware in a public employment context and which harm the public interest or the integrity of the public administration

- j. "*violations*" means conduct, acts or omissions that harm the public interest or the integrity of the COMPANY and which consist of:
1. administrative, accounting, civil or criminal offences that do not fall under numbers 3), 4), 5) and 6 below;
 2. unlawful conduct pursuant to Legislative Decree no. 231 of 8 June 2001, or violations of the organisational and management models provided for therein, which do not fall under numbers 3), 4), 5) and 6);
 3. offences that fall within the scope of the European Union or national acts indicated in the annex to Legislative Decree no. 24 of 23 March 2023 or national acts implementing the European Union acts set out in the Annex to Directive (EU) 2019/1937, although not indicated in the aforementioned annex, relating to the following sectors: public procurement; financial services, products and markets and the 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 networks and information systems;
 4. acts or omissions affecting the financial interests of the Union as referred to in Article 325 of the Treaty on the Functioning of the European Union as specified in the relevant secondary legislation of the European Union;
 5. 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 infringements of the European Union competition and State aid rules, as well as infringements concerning the internal market linked to acts infringing corporate tax rules or mechanisms the purpose of which is to obtain a tax advantage which defeats the object or purpose of the applicable legislation corporate tax;
 6. acts or conduct which frustrate the object or purpose of the provisions of Union acts in the areas referred to in points (3), (4) and (5);
- k. '*information on violations*' means information, including well-founded suspicions, concerning violations committed or which, on the basis of concrete evidence, could be committed in the context of the institutional activity of the Entity, as well as elements concerning conduct aimed at concealing such violations;
- l. "COMPANY" or "Entity": CTF AUTOMAZIONI S.R.L.;
- m. "AUTHORISED PERSON": the person appointed by the COMPANY for the management of reports;
- n. "Administrative Body": the governing body of the COMPANY
- o. "PRIVACY CONSULTANT": Consultant used by the company for GDPR compliance;
- p. 'ANAC': National Anti-Corruption Authority
- q. 'GDPR' means Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data
- r. "*Privacy Code*": Legislative Decree 196/2003 containing the "Code regarding the protection of personal data"

3. REPORTING AND REPORTING CHANNELS

The whistleblowing directive and Legislative Decree 24/2023 encourage reports that aim to bring to light cases of wrongdoing that occurred in the workplace and that relate to the violations specified above. To this end, the whistleblower has the opportunity to make his/her report through 4 channels and -in the COMPANY represented below- can:

1. Submit a whistleblowing report through the internal channel
2. Submit a whistleblowing report through the external channel
3. proceed with the public disclosure of the offence
4. report the offence to the judicial authorities

Reporting must be made in the public interest or in the interest of the integrity of the institution. The reasons that led the person to report, denounce or publicly disclose are irrelevant to the protection of the person.

4. NON-PROTECTABLE REPORTS

The following reports are not covered by this procedure and therefore will not give rise to protective measures:

- disputes, claims or requests related to a personal interest of the whistleblower or of the person who has filed a complaint with the judicial or accounting authority that relate exclusively to their individual employment relationships, or inherent to their employment relationships with hierarchically superior figures;
- reports of violations where they are already regulated on a mandatory basis by the European Union or national acts indicated in Part II of the annex to Legislative Decree no. 24 of 23 March 2023 or by the national ones that constitute the implementation of the European Union acts indicated in Part II of the Annex to Directive (EU) 2019/1937, even if not indicated in Part II of the aforementioned Annex;
- reports of national security breaches.

5. PROTECTED SUBJECTS

The following parties may report and benefit from the protections provided for by Legislative Decree 24/2023 and this procedure:

- the employees of the COMPANY;
- the holders of a collaboration relationship, pursuant to Article 2 of Legislative Decree no. 81 of 2015, who carry out their work at the COMPANY;
- workers or collaborators who carry out their work activities with entities that provide goods or services or that carry out works in favor of the COMPANY;
- freelancers and consultants who work for the COMPANY;
- volunteers and trainees, paid and unpaid, who work for the COMPANY;
- persons with administrative, managerial, control, supervisory or representative functions, even if such functions are exercised on a purely factual basis.

The protections provided for by Legislative Decree 24/2023 also apply if the report, complaint or public disclosure takes place:

- when the legal relationship with the COMPANY has not yet begun and the information reported has been found during the selection process or in the pre-contractual phase;
- during the probationary period;
- after the end of the relationship with the COMPANY and where the information reported has been found during the relationship.

6. ADDITIONAL PROTECTED SUBJECTS

In addition to the above-mentioned subjects, the protection measures extend:

- facilitators;
- to persons in the same working context as the whistleblower, the complainant or the person who has made a public disclosure when they are linked to him by a stable emotional or family bond within the fourth degree;
- to the work colleagues of the whistleblower or complainant or of the person who has made a public disclosure, who work in the same working context as the same person and who have a habitual and current relationship with that person;
- entities owned by the whistleblower or complainant, those who have made a public disclosure or for which the same persons work, as well as entities operating in the same working context as the aforementioned persons.

7. COMPANY'S INTERNAL REPORTING CHANNEL

The COMPANY has activated an internal reporting channel that ensures the confidentiality of the identity of the whistleblower, the person involved and the person in any way mentioned in the report as well as the content and documentation related to the report. The internal entity responsible for

managing the reports received has been duly authorized to do so in accordance with the legislation on the protection of personal data.

8. REPORTING METHODS VIA INTERNAL PLATFORM

The internal report is freely accessible from the COMPANY's home page at the link <https://whistleblowing.ctfautomazioni.com> and can be carried out from any digital device (PC, tablet, smartphone) both from inside and outside the institution.

The whistleblower carries out the report by means of a guided questionnaire and after filling in the report and sending it, he or she receives a report identification code; The code is necessary to further access the report, to verify the responses received, to interact with the person in charge of managing the report.

The data reported are separated from the identification data of the whistleblower and are automatically forwarded to the AUTHORISED PERSON; the AUTHORISED PERSON receives a notification of forwarding the report together with a numerical code of the same and without further details. The whistleblower's identification data are stored in encrypted form and are accessible only to the AUTHORIZED PERSON. The latter can access the detailed information of the reports received only after accessing their reserved area.

9. ORAL REPORTING MODE

The COMPANY does not manage internal reports carried out orally as they are considered difficult to configure with respect to the organization of the entity and therefore not sustainable.

10. CONTENT OF THE REPORT AND NON-REPORTABLE CASES

The report contains useful elements to allow the AUTHORIZED PERSON to carry out checks, such as:

- Any personal details of the whistleblower
- description of the facts, including references to time and places to the commission of the facts
- identification of the offender or elements useful to identify him
- indication of other parties who may report on the offence.

They cannot be reported and, if received, will not be processed in accordance with this procedure:

- complaints of a personal nature, claims, requests relating to the employment relationship, affiliation or hierarchy.
- cases based on mere suspicions or rumours.

11. ANONYMOUS REPORTING

The COMPANY reserves the right to evaluate anonymous reports as ordinary reports only if they are adequately substantiated and therefore suitable for bringing to light facts of particular gravity. The protection of the whistleblower is ensured if and to the extent that the identity is disclosed.

12. INTERNAL REPORTING MANAGEMENT

The AUTHORIZED PERSON is the person in charge of managing the reports received.

The AUTHORIZED PERSON, within 7 days of receipt of the report, shall issue the whistleblower with acknowledgment of receipt and within 3 months of the expiry of the term of 7 days from the submission of the

report, provides feedback to the report. The AUTHORIZED PERSON handles the report received with diligence, impartiality and confidentiality.

Upon receipt of the report, the AUTHORISED PERSON analyses its admissibility and admissibility and, if necessary, requests clarifications and additions from the whistleblower. In particular, the AUTHORISED PERSON

- verifies that the whistleblower is authorised to carry out a report
- closes the case in the event of obvious and manifest groundlessness, inadmissibility or inadmissibility²
- In the event of a prima facie case, it proceeds with the assessment by analysing, in order: or if the conduct being reported is considered unlawful or whether it pertains to the work context or if it was carried out in the pursuit of the public interest.

Subsequently, the AUTHORIZED PERSON verifies the validity of the circumstances represented and carries out all the activities deemed most appropriate, including the hearing of the whistleblower and/or any other parties who may report on the reported facts. If the report is found to be well-founded, considering the nature of the reported violation, the AUTHORIZED PERSON proceeds to:

- communicate the outcome of the assessment to the Administrative Body, for the relevant measures;
- lodge a complaint with the competent judicial authority;
- adopt any further measures and/or actions necessary to protect the COMPANY.

13. REPORTING AND ATTACHED DOCUMENTATION

The AUTHORIZED PERSON, in coordination with the PRIVACY CONSULTANT, ensures that the reports and related documentation are kept for the time necessary for the processing of the report and in any case no longer than five years from the date of communication of the final outcome of the reporting procedure. The reports and related documentation are kept in compliance with the confidentiality obligations referred to in Articles 5(1)(e) of the GDPR and 3(1)(e) of Legislative Decree No. 51 of 2018.

14. EXTERNAL REPORTING CHANNEL – ANAC PLATFORM

The report can also be carried out through the use of a channel other than the internal one and in particular through an external channel made available by ANAC at the link <https://whistleblowing.anticorruzione.it/#/>

The whistleblower resorts to ANAC's whistleblowing channel only when the following circumstances occur:

- a. the internal reporting channel is not active or, even if activated, does not comply with the regulations;
- b. has already made an internal report and it has not been acted upon;
- c. has reasonable grounds to believe that, if it were to make an internal report, it would not be effectively followed up or that the report could lead to a risk of retaliation
- d. has reasonable grounds to believe that the infringement may constitute an imminent or obvious danger to the public interest.

15. MANAGEMENT OF REPORTING CARRIED OUT THROUGH AN EXTERNAL CHANNEL

The reporting carried out through an external channel is managed by ANAC in accordance with *the Regulation for the management of external reports and for the exercise of ANAC's sanctioning power in implementation of Legislative Decree no. 24 of 10 March 2023* adopted by Resolution no. 301 of 12 July 2023.

² Archiving is carried out for:

- manifest lack of interest in public integrity
- manifest lack of competence of the AUTHORIZED PERSON over the reported matters
- generic content of the report/communication or such as not to allow any in-depth analysis

Therefore, upon receipt of the report, ANAC:

- a. Issue acknowledgment of receipt within 7 days of the report, unless explicitly requested otherwise or unless ANAC considers that the notice would jeopardize the protection of the confidentiality of the whistleblower's identity;
- b. diligently follows up on reports received;
- c. carries out the necessary investigations, including through requests for information or additions, hearings and the acquisition of documents;
- d. responds to the whistleblower within 3 months or, if there are justified and justified reasons, within 6 months from the date of acknowledgment of receipt of the external report or, in the absence of such notice, from the expiry of 7 days from receipt;
- e. communicates to the whistleblower the outcome of the report, which can be archiving or transmission of the report to the competent authorities.

16. PUBLIC DISCLOSURE

The whistleblower may publicly disclose information on violations by making it public through the press or electronic means or otherwise through means of dissemination capable of reaching a large number of people.

In the case of public disclosure, the whistleblower benefits from the protection and safeguards provided for by Legislative Decree 24/2023 if, at the time of public disclosure, one of the following conditions is met:

- has previously made an internal and external report or has made an external report directly and has not received a response;
- has reasonable grounds to believe that the breach may constitute an imminent or obvious danger to the public interest;
- has reasonable grounds to believe that the external report may carry a risk of retaliation or may not be effectively followed up due 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 receiving the report may be colluding with or involved in the infringement.

17. PROTECTION OF THE CONFIDENTIALITY OF THE WHISTLEBLOWER

The identity of the whistleblower is protected in any context subsequent to the report, without prejudice to cases of liability for slander and defamation pursuant to the Criminal Code or liability pursuant to Article 2043 of the Civil Code and cases in which anonymity cannot be invoked by law (e.g. criminal, tax or administrative investigations, inspections by supervisory bodies).

All those involved in the management of the report may not reveal either the identity of the whistleblower or any other information from which this may be inferred, without the whistleblower's express consent. To protect the whistleblower, the COMPANY complies with the following measures:

- In the event of criminal proceedings resulting from the report, the identity of the whistleblower is covered by the protection pursuant to Article 329 of the Code of Criminal Procedure.
- In the event of disciplinary proceedings resulting from the report, the identity of the whistleblower cannot be revealed, if the objection to the disciplinary charge is based on separate and additional investigations with respect to the report, even if consequent to the same. If the complaint is based, in whole or in part, on the report and knowledge of the identity of the reporting person is indispensable for the defence of the accused, the report will be used for the purposes of disciplinary proceedings only in the presence of the express consent of the reporting person to the disclosure of his or her identity;

18. RETALIATION - REVERSAL OF THE BURDEN OF PROOF

The COMPANY does not allow any form of retaliation or discriminatory measure, direct or indirect, affecting the working conditions of the whistleblower and implemented for reasons directly or indirectly related to the report. This protection applies if, at the time of the report, the whistleblower had reasonable grounds to believe that the information reported was true, if the report falls within the scope of reportable offences and if this procedure and the relevant legislation have been complied with.

The cases listed in art. 17, par. 4, of Legislative Decree no. 24/2023 namely:

1. dismissal, suspension or equivalent measures;
2. relegation or non-promotion;
3. change of duties, change of place of work, reduction of salary, modification of working hours;
4. suspension of training or any restriction of access to it;
5. negative merit notes or negative references;
6. the adoption of disciplinary measures or other sanctions, including financial sanctions;
7. coercion, intimidation, harassment or ostracism;
8. discrimination or unfavourable treatment;
9. the failure to convert a fixed-term employment contract into an employment contract of indefinite duration, where the worker had a legitimate expectation of such conversion;
10. non-renewal or early termination of a fixed-term employment contract;
11. damage, including to a person's reputation, in particular on social media, or economic and financial harm, including loss of economic opportunities and loss of income;
12. the early termination or cancellation of the contract for the supply of goods or services;
13. the cancellation of a licence or permit;
14. the request to undergo psychiatric or medical examinations.

In the event of judicial or administrative proceedings or in any case out-of-court disputes concerning the ascertainment of discrimination or retaliation against the whistleblower, it is presumed that they have been implemented due to the report, public disclosure or complaint to the judicial or accounting authority. The burden of proving that such conduct or acts are motivated by reasons unrelated to reporting, public disclosure or reporting lies with the person who carried them out.

In the case of a claim for damages submitted to the judicial authority by the whistleblower, if the whistleblower proves that he or she has made a report, a public disclosure or a complaint to the judicial or accounting authority pursuant to the Whistleblowing Directive and that he or she has suffered harm, the damage shall be presumed, unless proven otherwise, to be the consequence of such reporting, public disclosure or complaint to the judicial or accounting authority.

19. NULLITY OF RETALIATORY ACTS AND REPORTING TO ANAC

Retaliatory acts taken in violation of the regulations referred to in Legislative Decree 24/2023 are null and void and persons who have been dismissed due to reporting, public disclosure or complaint to the judicial or accounting authority must be reinstated in the workplace pursuant to art. 18 L. 300/1970 and art. 2 Legislative Decree 23/2015.

In the event of retaliation directly related to the report, the whistleblower and other protected persons may notify ANAC of the retaliation they believe they have suffered;

The whistleblower who believes that he or she has suffered discrimination or retaliation may give detailed notice, in addition to ANAC, also to the AUTHORIZED PERSON. The latter, having promptly assessed the existence of the charge, reports the hypothesis of discrimination:

- To the Administrative Body;
- to the Public Prosecutor's Office in the event of criminal offences.

This is without prejudice to the whistleblower's right to inform the trade unions or the competent judicial authority of the incident.

Protections from retaliation are not guaranteed if the criminal liability of the reporting person for the crimes of defamation or slander or in any case for the same crimes committed with the complaint to the judicial or accounting authority is ascertained, even with a sentence of first instance, or when his civil liability for the same reason is ascertained in cases of wilful misconduct or gross negligence; In this case, a disciplinary sanction is imposed on the whistleblower or complainant.

20. SANCTIONING REGIME FOR BREACH OF WHISTLEBLOWING LEGISLATION

Without prejudice to the other aspects of liability, in the event of non-compliance or violation of the regulations, ANAC applies the following administrative fines to the person responsible:

- €10,000 to €50,000 when it finds that retaliation has been committed or when it is established that the report has been obstructed or that an attempt has been made to obstruct it or that the whistleblower's duty of confidentiality has been violated;
- from €10,000 to €50,000 when it ascertains that no reporting channels have been established, that procedures have not been adopted for the making and management of

reports or that the adoption of such procedures does not comply with those referred to in Articles 4 and 5, as well as when it ascertains that the verification and analysis of the reports received has not been carried out;

- from €500 to €2,500, in the event of loss of protection, unless the reporting person has been convicted, even in the first instance, for the crimes of defamation or slander or in any case for the same crimes committed with the complaint to the judicial or accounting authorities

21. RESPONSIBILITIES OF THE WHISTLEBLOWER

This is without prejudice to the criminal and disciplinary liability of the whistleblower in the event of slanderous or defamatory reporting pursuant to the Criminal Code and art. 2043 of the Italian Civil Code. Any forms of abuse of this procedure, such as reports that are manifestly opportunistic and/or made for the sole purpose of damaging the complainant or other subjects, and any other hypothesis of improper use or intentional instrumentalization of the institution subject to this procedure, are also a source of liability, in disciplinary proceedings and in other competent bodies.

22. PRIVACY SAFEGUARDS

The personal, common and possibly special data contained in the report are processed in compliance with the rules on the protection of personal data. This procedure and the internal reporting channel are subject to periodic review to reflect changes and *best practices*.

THE COMPANY:

- adopts and provides a specific information notice on the processing of personal data in the field of whistleblowing published on the institutional website and provided to the whistleblower when submitting the report
- carries out a Data Protection Impact Assessment (DPIA) with respect to the management of reports pursuant to Legislative Decree 23/2024

Persons in any capacity operating in the organization of the COMPANY are aware that art. 15, paragraph 1, letter g) GDPR does not apply with regard to the identity of the whistleblower, which can only be revealed with his consent or when knowledge is indispensable for the defense of the whistleblower.

23. TRAINING PATHS

The COMPANY ensures that all persons in any capacity operating in its organization are trained on the provisions of this procedure and on the reporting methods, as well as on the safeguards put in place to protect the confidentiality of the personal data of the whistleblower and the alleged perpetrator of the violation; likewise, the COMPANY proceeds to organize specific training for the AUTHORIZED PERSON, also making use of the PRIVACY CONSULTANT.

24. DISSEMINATION AND PUBLICITY

A copy of this procedure is made available by publication on the COMPANY's website; A copy of this procedure is also sent, as an annex, to the contracts for collaboration, consultancy and assignment of works, services and supplies to third parties.

25. VARIOUS

This procedure replaces any procedures and guidelines already adopted by the COMPANY on the subject, which are therefore intended to be repealed.