

LCI - LAVORAZIONE CARTA RICICLATA ITALIANA SRL

Procedure *Whistleblowing*

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1. INTRODUCTION

This procedure regulates the making, receipt and management of internal reports of offences within the scope of LCI SRL's activity.

This procedure has been prepared in accordance with the regulations and guidelines that apply in the Italian legal system on *whistleblowing* and, in particular:

- to Legislative Decree No 24 of 10 March 2023 of *"implementation of 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 Union law and on provisions concerning the protection of persons who report breaches of national laws"*, which regulates the protection of persons who report breaches of national or European Union law that affect the public interest or the integrity of the public administration or private entity, of which they have become aware in a work context;
- [only if the MOG - Organisational and Management Model pursuant to Legislative Decree 8 June 2001, No. 231], as amended by the aforementioned decree;
- the ANAC guidelines on the protection of persons who report breaches of Union law and the protection of persons who report breaches of national laws, and the opinion on the outline of the aforementioned guidelines of the data protection authority.

2. DEFINITIONS

"ANAC"	<i>National Anti-Corruption Authority</i>
the "Company"	<i>LCISRL</i>
"GDPR"	<i>The Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016</i>
"Privacy Code"	<i>Legislative Decree No. 196 of 30 June 2003 as amended and supplemented</i>
"Working context"	<i>the work or professional activities, present or past, carried out in the context of relations with the Company, through which, irrespective of the nature of such activities, a person acquires information regarding breaches falling within the scope of this Procedure.</i>
"Decree 231":[if there is MOG]	<i>Legislative Decree 231 of 8 June 2001, as amended and supplemented</i>
"Whistleblowing Decree"	<i>Legislative Decree 10 March 2023 , no. 24</i>
"Reporting manager"	<i>The entity TMC SRL identified as recipient and manager of the Reports pursuant to Article 4 of the Whistleblowing Decree and authorised Data Processor/appointed Data Controller under the GDPR</i>
"Directive"	<i>Directive(EU) Reg. no. 2019/1937 and subsequent amendments and additions</i>
"Model 231"	<i>the organisation and management model, provided for in Decree 231, adopted by the Company</i>

"Supervisory Board o "SB'	<i>the supervisory body set up by Company Name pursuant to Decree 231 and its individual members</i>
"Person Involved"	<i>The natural or legal person mentioned in the Report as the person to whom the breach is attributed or as a person otherwise implicated</i>
"Platform"	<i>the IT platform activated, through which the Company has set up its internal reporting channel</i>
"Whistleblowing Procedure"	<i>this procedure</i>
"Reporting"	<i>employees, collaborators, shareholders, persons exercising (even on a de facto basis) functions of administration, management, control, supervision or representation of the Company and other third parties interacting with the Company (including freelancers, suppliers, consultants, intermediaries, etc.) as well as volunteers, trainees, interns (paid and unpaid) or probationary workers, job applicants and former employees if the information is prior to the termination of the employment relationship</i>
"Reporting'	<i>a report made in accordance with this Procedure and the applicable whistleblowing legislation</i>
"Related Subjects"	<i>the subjects for whom the same protections that the Whistleblowing Decree provides for the Whistleblower are applicable, and which are: (i) the facilitators; (ii) persons in the same work context as the reporting person and who are related to the reporting person by a stable emotional or family relationship up to the fourth degree; (iii) colleagues of the reporting person who work in the same work context and who have a regular and current relationship with the reporting person; (iv) entities owned by the reporting person or for which the reporting person works or entities that operate in the same work context</i>

3. SCOPE OF APPLICATION

The Procedure defines the essential features, the methods of submission and the tasks of the persons in charge of receiving and handling reports.

Excluded from the scope of the procedure are any disciplinary and/or judicial proceedings initiated by the company, through the relevant departments, at the outcome of the investigation carried out on the report.

This Procedure does not deal with external reports (submitted to ANAC) or public disclosures, for which reference should be made to the specific provisions of the Whistleblowing Decree and to the information published on the ANAC's institutional website at the following address: <https://www.anticorruzione.it/-/whistleblowing>

4. SUBJECT OF THE REPORTS

The breaches that can be reported are those that come to the attention of the whistleblower in the context of his/her work context and that harm the public interest or integrity of the public administration or the Company and consist of:

1. unlawful conduct relevant to Decree 231 or breaches of Model 231, as well as breaches of the code of ethics;

2. offences falling within the scope of European Union or national acts relating to the following areas: 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; privacy and the protection of personal data (to be understood with reference to *privacy*) and security of networks and information systems;
3. acts or omissions affecting the financial interests of the European Union;
4. acts or omissions affecting the internal market, including breaches of EU competition and State aid rules as well as violations affecting the internal market related to acts in breach of corporate tax rules or mechanisms whose purpose is to obtain a tax advantage that frustrates the object or purpose of the applicable corporate tax law;
5. acts or conduct that frustrate the object or purpose of the provisions of Union acts in the areas indicated in (2), (3) and (4) above;

the Decree *Whistleblowing* does not apply to complaints, claims or requests of a personal nature that relate to one's employment relations or relations with one's hierarchical superior: therefore, Reports of this kind will not be processed under this Procedure.

5. INTERNAL WHISTLEBLOWING CHANNEL

The Company has activated under the *Whistleblowing Decree* the following internal whistleblowing channel, by means of a dedicated online platform, which allows whistleblowing reports to be sent electronically and guarantees, also by means of encryption, the confidentiality of the whistleblower and of the Persons Involved, as well as the content of the report and the relevant documentation: [portal link](#)

The Reporting channel allows reports in written form and reports in oral form (by uploading an audio *file*). At the whistleblower's request, it is also possible to make the report in the context of a personal meeting with the manager, which must always be arranged via the platform.

In the case of oral Reports, it is possible - via the Platform and subject to the consent of the whistleblower - for the Addressee to document the content of the Report by recording it on a device suitable for storage and listening or by transcribing it in full.

The Company invites Whistleblower's to make Reports that are as circumstantial as possible, so as to provide the useful and appropriate elements to allow an appropriate verification of the validity of the facts reported. It is particularly important that it includes, where these elements are known to the whistleblower:

- the circumstances of the time and place in which the event reported occurred;
- description of the facts;
- personal details or other elements enabling identification of the person to whom the reported facts can be attributed;
- the identity of the whistleblower, without prejudice to the possibility of making an anonymous report.

It is also useful to attach documents that may provide evidence of the facts being reported, as well as the names of other persons potentially aware of the facts.

These elements are requested by the IT Platform during the guided process of sending the Report.

After sending the alert, a 16-digit code will be displayed, which **must be kept by the reporting party** to be able to access the alert again and interact with the Alert Manager. **This code must be kept by the whistleblower with the utmost care, as it is the only means of accessing the report made: there is no other way of accessing the report again and it will not be possible, in any way, to retrieve the code.** If the code is lost, the whistleblower can only get back in touch with the manager by making a new report.

5.1 The Reporting Manager

The Company has identified the company Top Management Consulting Srl, P.I., as recipient and manager of the Reports. 03947550244, head office in Vicenza, Via dei Cairoli 71.

This person has been designated Data Processor pursuant to the GDPR, instructed on the operation of the whistleblowing system applied by the Company in accordance with this Procedure and required to comply with its provisions.

5.2 Reporting Management

5.2.1. Preliminary analysis of the Report

Upon receipt of the Report, the Reporting Manager:

- a) issues to the whistleblower **acknowledgement of receipt of the Report within seven days** from the date of receipt;
- b) carries out a preliminary analysis of the contents of the Report, in order to assess its relevance in relation to the scope of application of the *Whistleblowing Decree* and, in general, of the Procedure;
- c) ranks the Report
 - "**admissible**" when it has been sent in compliance with the Decree *Whistleblowing* and this Procedure and the reported breach falls within the scope of the *Whistleblowing Decree* and this Procedure;
 - "**ineligible**" and files it, when it is manifestly unfounded, due to the absence of factual elements attributable to the violations typified by the *Whistleblowing Decree* and indicated in paragraphs 3 and 4 of this Procedure;
- d) the Report is of such general content that the facts cannot be understood, or the Report is accompanied by inappropriate or irrelevant documentation;
- e) only documentation is produced, in the absence of a Report of Illegal Conduct.

If what is reported is not adequately substantiated, the Reporting Manager may request additional information from the Whistleblower via the Platform.

In the case of an 'Inadmissible' Report, the Reporting Manager must take care to justify in writing to the Whistleblower - via the Platform - the reasons for filing.

For Reports of misconduct relevant to Decree 231 or breaches of the 231 Model, the Manager shall promptly involve the Supervisory Board, in order to assess - in a joint session - whether the Report should be handled by it in agreement and with the support of the Supervisory Board, in accordance with the provisions of the 231 Model and this Procedure.

An Internal Report submitted through a channel other than the one indicated in this Procedure must be forwarded immediately (within seven days) to the Reporting Manager, with simultaneous notice to the Whistleblower.

5.2.2. Internal Reporting Management

In handling the Report, the Reporting Manager performs the following activities:

- a) maintains contact with the whistleblower and - if necessary - requests additions from the latter; in this respect, the platform allows the exchange of information and/or documents;
- b) provides diligent follow-up to Reports received, and ensures that the investigation is accurate, fair, impartial and protects the confidentiality of the identity of the reporter and the persons involved, including the reported person;

- c) provides feedback to the Report **within three months** from the date of the acknowledgement of receipt of the Report or, in the absence of such an acknowledgement, within three months of the expiry of the seven-day period from the submission of the Report. Where the investigation takes longer than three months, the Manager may provide interim feedback to the whistleblower within the above-mentioned time limits;
- d) in the event that the reported conduct continues (or is imminent, if not yet committed), it may request the competent functions to take appropriate precautionary measures to interrupt or prevent it.

In relation to Reports of unlawful conduct relevant under Decree 231 or breaches of the 231 Model, the Manager carries out the above activities in concert and with the support of the Supervisory Board. Interactions between the Manager and the Supervisory Board (as a whole) take place through joint meetings and the Platform, in compliance with the confidentiality requirements of the *Whistleblowing Decree* and this Procedure.

The Manager is entitled to request the support of internal functions or external specialised consultants (e.g. lawyers or technicians in the field to which the report relates), in compliance with the confidentiality requirements of the *Whistleblowing Decree* and this Procedure. The Manager shall avoid disclosing to such persons any information that is not indispensable to obtain effective support. With particular reference to information from which the identity of the Whistleblower or of the persons involved can be deduced, the limitations provided for in the legislation and in paragraph 7 (CONFIDENTIALITY) of this procedure apply.

The Manager is also entitled to hear the Interested Parties and to obtain written comments and documents from them.

Except in cases where this is indispensable, the Manager, for the performance of its tasks and for document storage, uses the dedicated online Portal (protected by appropriate security measures, including encryption), avoiding the use of non-secure tools.

The Report and related documentation are kept for as long as necessary for the processing of the Report and, in any case, no longer than five years from the date of the communication of the final outcome of the Report handling process.

5.2.3. Decision on the Whistleblowing

The evidence gathered during internal investigations is analysed in order to understand the context of the Report and to determine whether a breach relevant under the Whistleblowing Decree has actually occurred.

If the Manager finds that the report is well-founded, he shall immediately refer the matter to the internal competent bodies, which shall take the measures deemed appropriate to ascertain individual responsibilities and, if necessary, to involve the competent authorities, as well as to identify disciplinary measures, measures to remedy the situation that has arisen and/or to prevent such a situation from recurring in the future.

To this end, the Manager shall provide the competent bodies with a report summarising the course of the investigation and setting out the conclusions he has reached, providing any supporting documentation.

The body in charge is the Board of Directors; in cases of conflicts of interest (if, for example, one or more members of the Board of Directors are involved in the report), the Manager reports instead to Ambiente Legale SRL (SB).

If the conditions are met, LCI SRL reserves the right to report the facts to the competent Judicial Authority.

6. PROTECTIVE MEASURES

The Whistleblowing Decree provides for the following protection measures with regard to the Whistleblower and Connected Persons:

- prohibition of retaliation on account of a Report, where retaliation means: *"any conduct, act or omission, even if only attempted or threatened, occurring by reason of the report, the complaint to the judicial or accounting*

authorities or the public disclosure which causes or is likely to cause the reporting person or the person lodging the complaint, directly or indirectly, unjust damage".

- protection from retaliation, understanding:
 - o the possibility of informing the ANAC of retaliation you believe you have suffered as result of a Report;
 - o providing for the nullity of acts taken in breach of the prohibition of retaliation, which can also be enforced in court;
- exclusions of liability in the event of the disclosure (or dissemination) of breaches covered by the obligation of confidentiality (except in the case of classified information, professional and medical confidentiality and secrecy of court deliberations, for which the application of the relevant legislation remains unaffected) or relating to the protection of copyright or personal data protection or information on breaches that offend the reputation of the person involved or reported, if:
 - o at the time of disclosure (or dissemination) there are reasonable grounds for believing that it is necessary to disclose the breach and
 - o the conditions set out in (a) and (b) below are met;
- exclusions of liability, unless the act constitutes a criminal offence, for the acquisition of or access to information on breaches;
- sanctions (set out in this Procedure) against those who retaliate against the Whistleblower.

LCI SRL protects the Whistleblower in good faith, therefore, the protection measures listed above apply to the Whistleblower and Connected Persons provided that:

(a) at the time of the Report, the Whistleblower has reasonable grounds to believe that the information on reported breaches reported are true and fall within the scope of the breaches referred to in paragraph 3 of the Procedure (*i.e.* Report in good faith);

b) the Report is made in accordance with the provisions of the Procedure and the *Whistleblowing Decree*.

The protection measures listed above also apply in the case of anonymous Reports, if the Whistleblower is subsequently identified. It will not be possible to apply the protection measures described above if it is impossible to identify who the recipient should be.

7. CONFIDENTIALITY

Except in the cases provided for by law, the identity of the Whistleblower and any other information from which this identity may be directly or indirectly inferred cannot be disclosed, without the Whistleblower's express consent, to persons other than those competent to receive or follow up the Reports.

The protection of confidentiality is extended to the identity of the persons involved and of the persons mentioned in the Report, subject to the same guarantees provided for the Whistleblower.

The identity of the Whistleblower may be disclosed - only with his/her explicit consent - in the context of an internal disciplinary procedure, when a charge is based in whole or in part on the Whistleblowing and knowledge of the Whistleblower's identity is indispensable for the defence of the person charged with the disciplinary offence. In such cases, if the Whistleblower does not consent to the disclosure of his or her identity, the Report cannot be used in the disciplinary proceedings.

In the context of possible criminal proceedings, the identity of the whistleblower is covered by confidentiality in the manner and to the extent provided for in Article 329 of the Code of Criminal Procedure.

In any proceedings before the Court of Auditors, the identity of the reporting person may not be revealed until the investigation phase is closed.

8. DATA PROTECTION

The processing of personal data in the management of the internal reporting channel and the Reports received must be carried out in accordance with GDPR and the Privacy Code.

The Company has defined its own model for receiving and managing internal reports, identifying technical and organisational measures suitable for ensuring a level of security appropriate to the specific risks arising from the processing operations performed, on the basis of a data protection impact assessment.

The relationship with external suppliers who process personal data on behalf of the Company must be regulated pursuant to Article 28 of GDPR. In the case of professionals who process data as autonomous data controllers (e.g. consulting lawyers for legal advice), they must in any case undertake a formal confidentiality obligation.

Whistleblowers and the Persons concerned must be provided with appropriate information pursuant to Articles 13 and 14 of GDPR.

The information is made available by:

- Publication on the whistleblowing page of the corporate website;
- Link (to the above page) inserted in the Online Portal;
- Emailed to all employees and collaborators with an appropriate circular;

Personal data that are clearly not useful for the processing of a specific report are not collected or, if collected, must be deleted immediately.

In cases where there are doubts as to the relevance of the data to the alert, the operator avoids any processing of the data except for storage until the alert is closed (storage is permissible given the difficulty of assessing with certainty the uselessness of a piece of data while investigations are still ongoing, and the need to document the correctness of the alert handling activities).

9. SANCTIONS

Pursuant to the Whistleblowing Decree, and subject to pecuniary sanctions by the ANAC, anyone who is guilty of any of the following actions:

- retaliation in relation to Reports;
- obstructing or attempting to obstruct the execution of the Alert;
- breach of confidentiality obligations under the Procedure and the *Whistleblowing Decree*;
- failure to establish reporting channels in accordance with the requirements of the *Whistleblowing Decree*;
- failure to adopt a procedure for making and handling Reports or failure to comply with the *Whistleblowing Decree*;
- failure to check and analyse the Reports received.

All the actions listed above is also subject to the disciplinary sanctions provided for in Model 231 (where applicable).

In addition, provision is made for the imposition of a disciplinary sanction against the Whistleblower when it is established that he/she is liable to disciplinary action: (i) even by a judgment of first instance, criminal liability for the offences of defamation or slander or, in any case, for the same offences committed by reporting to the judicial or accounting authorities, or (ii) civil liability, for the same offence, in cases of wilful misconduct or gross negligence.

10. EXTERNAL REPORTING CHANNEL AND PUBLIC DISSEMINATION

In the case provided for by law (Articles 6 and 15 of the Whistleblowing Decree), the Whistleblower - without prejudice to the protections provided for by the legislation and by this Procedure - may make an external report

through the channel set up by ANAC (accessible on its website) or make a public disclosure.

For more information please refer to the whistleblowing page on the LCI SRL website (<https://lci.segnalazioni.info>) and on the ANAC website (<https://www.anticorruzione.it/-/whistleblowing>).

11. TRAINING AND AWARENESS-RAISING ON WHISTLEBLOWING

This Procedure will be:

- displayed on notice boards in the workplace;
- sent by e-mail to employees in a special circular;
- published in a special section of the Company's website, so as to be accessible also to persons who, although not frequenting the workplace, fall within the categories of possible whistleblowers as indicated above.

The Procedure will also be made available to employees when recruited.

Training on *whistleblowing* and, moreover, included in the personnel training plans provided by the Company.

12. UPDATING THE PROCEDURE

The Procedure will be periodically updated in order to ensure constant alignment with the regulations and in view of the evolution of the company's operations and organisation.