



# Report Management Guidelines

(Whistleblowing) of Danieli Group

## INDEX

1. PURPOSE .....	3
2. ENFORCEABILITY .....	3
3. DEFINITIONS .....	3
4. REFERENCES .....	4
5. GENERAL PRINCIPLES .....	4
5.1. Confidentiality .....	4
5.2. Protection of Whistleblowers .....	5
5.3. Protection of reported people .....	5
5.4. Refraining procedures .....	5
6. REPORT MANAGEMENT PROCESS .....	5
6.1. Involved persons .....	6
6.2. Subject of the Report .....	6
6.3. Reporting channels .....	6
6.4. Receipt of Reports and related preliminary analysis .....	7
6.5. Report analysis and verification .....	7
6.6. Report analysis activity and subsequent decisions .....	8
6.7. Reporting .....	8
7. SANCTIONING SYSTEM .....	8
8. TRACEABILITY .....	8
9. PERSONAL DATA PROTECTION GUIDELINES .....	8
10. DISCLOSURE AND PUBLICATION OF THIS GUIDELINE .....	9
11. TERMS AND CONDITIONS FOR THE IMPLEMENTATION OF THIS GUIDELINE .....	9
12. REPORTING OF GUIDELINE VIOLATIONS .....	9

## 1. PURPOSE

Danieli & C. Officine Meccaniche S.p.A. (hereinafter “Danieli & C.” or the “Parent Company”) encourages the cooperation of employees and third parties for the emergence of (i) illegal, fraudulent or suspicious acts, (ii) violations of the Code of Ethics and the Organization, Management and Control Model pursuant to Legislative Decree 231/01 and (iii) any other irregularities in corporate management or conducts not in compliance with the law and the internal regulatory system of Danieli Group.

In doing so, Danieli & C. encourages reports of any violation that is considered relevant and comes to the attention of each whistleblower, hereinafter better defined.

Therefore, the purpose of this Report Management Guideline (Whistleblowing) (hereinafter referred to as the “Guideline”) is to describe how to send the reports, the principles intended to safeguard the whistleblowers, the related management process, as well as any possible action arising from the violations observed.

## 2. ENFORCEABILITY

This Guideline is issued by Danieli & C. and approved by the relevant Board of Directors.

It shall be applied to Danieli & C. and, subject to prior transposition, to all the companies directly and indirectly controlled by it in Italy and abroad (hereinafter the “Group Companies”) and operating in the plant making field<sup>1</sup>.

## 3. DEFINITIONS

### Reporting Committee

It is a cross-functional Committee that receives and manages the Report through the implementation of operating procedures provided for in this Guideline. The Committee is composed of the managers of Legal, Human Resources, Compliance & Internal Audit Departments of the Parent Company, operating for the whole Danieli Group. The General Counsel of the Parent Company is also the President of the Reporting Committee.

### Danieli Group

Danieli & C. and the relevant companies directly or indirectly controlled and operating in the plant making sector.

### DPO

Data Protection Officer. He/she is responsible for the proper management of personal data processing within the Group, only as regards the Companies where he/she has been formally appointed as a DPO. He/she supports the Parent Company in implementing compliance privacy in accordance with the reference legislation, supervising its activity.

### Group Compliance Officer & Chief Internal Auditor

Person presiding over the Group’s “Compliance & Internal Audit” department, hereinafter referred to as GCO.

### Internal Audit

The Internal Audit Department operating for the entire Danieli Group.

### Supervisory Committee

This Committee of Danieli & C. or of the related subsidiaries governed by Italian law is responsible for monitoring the efficient operation and compliance of Model 231 and updating it in accordance with the provisions of art. 6, paragraph 1, letter b) of Legislative Decree 231/01.

### Reporting

Any communication received through the identified channels regarding (i) behaviors put in place in breach of internal and external rules governing the activity of Danieli & C. and the Group Companies, including the Code of Ethics and Organization, Management and Control Model pursuant to Legislative Decree 231/01 of Danieli & C. and the Group Companies; (ii) any other illegal conduct which may result in a financial, property and/or image damage for the Danieli Group. Such behaviors shall be adopted by, or shall be attributable to, members of corporate bodies, auditing bodies - provided for in the standards in force in the countries where the Danieli Group operates -, employees, interns, apprentices, collaborators, suppliers, contractors, advisors, customers, business partners of the Parent Company and the Group Companies and, generally, anyone who acts on behalf of Danieli & C. and the Group Companies, as well as all other persons who, for any reason, come into contact with Danieli & C. and the Group Companies.

---

<sup>1</sup> Any company operating in design, construction and sale of plants for the steel industry are part of the plant making sector.

**Whistleblower**

Person who makes a Report.

**Reported person**

Person to whom the violation is attributed.

**Privacy Team**

Working group cooperating with the DPO. The team integrates the Privacy Model together with the CEO and the Privacy Committee.

## 4. REFERENCES

**Code of Ethics**

Document providing the set of ethical principles and values adopted by Danieli & C. and the Group Companies.

**Legislative Decree 231/2001**

Legislative Decree no. 231 dated June 8th, 2001, containing the “Rule of administrative liability of corporate bodies, corporations and associations including those without legal status, as per article 11 of Law No. 300 dated September 29th, 2000”, as amended.

**Privacy Policy**

It means Regulation EU 2016/679 of the European Parliament and of the Council of April 27th, 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (also “GDPR”), Convention 108+, as well as any other international regulation on the protection of personal data including the provisions of the Italian Data Protection Authority or other foreign Data Protection Authorities.

**Law 179/2017**

Law No. 179 of November 30th, 2017, containing the “Provisions for the protection of whistleblowers who report crimes or irregularities of which they become aware in the context of private or public employment” as amended.

**Directive EU 2019/1937**

Directive of the European Parliament and of the Council of October 23rd, 2019, on the protection of persons who report breaches of Union Law.

**Model 231**

The Organization, Management and Control Model adopted by Danieli & C. and its subsidiaries governed by Italian law pursuant to Legislative Decree 231/01.

**Anti-corruption Policy**

All anti-corruption standards in force in the judicial systems of each company of the Danieli Group in Italy and worldwide and the international and transnational standards which have direct applications.

## 5. GENERAL PRINCIPLES

The Danieli Group encourages all employees to know and comply with the Code of Ethics, the Organization, Management and Control Model pursuant to Legislative Decree 231/01 (if applicable), the laws and the Danieli Group’s internal regulatory system, by requiring their fulfillment and providing, in case of non-compliance, appropriate disciplinary sanctions.

The Danieli Group encourages anyone - including personnel, its commercial partners, suppliers, collaborators, customers and third parties - who is aware of any violations of the Code of Ethics, the Organization, Management and Control Model pursuant to Legislative Decree 231/01 (if applicable), the laws and the internal regulatory system, to report such violations, ensuring the Whistleblower a careful and efficient management of the Report.

### 5.1 CONFIDENTIALITY

Reports are managed with the utmost confidentiality as to the identity of the Whistleblower, any other person mentioned and the facts reported. Suitable communication procedures are used to protect the identity and reputation of the persons indicated in the Report, as well as the confidentiality of the data identifying the Whistleblower, preventing the acquired data from being communicated to people not involved in the Report management process, as shown in this document.

Also anonymous Reports shall be considered, i.e. any Reports where general information about the Whistleblower are not clearly stated or traceable, with the exception of Reports with generic and/or confused content.

## 5.2. PROTECTION OF WHISTLEBLOWERS

The Daniele Group ensures protection from any direct or indirect act of retaliation, discrimination or criminalization against the Whistleblower for reasons, directly or indirectly, connected to the Report.

The Daniele Group ensures the confidentiality of the Whistleblower's personal data and of the information contained in the Report by all the people involved in the procedure, except in cases where anonymity is not enforceable in accordance with the law.

The Daniele Group prohibits tracing any information regarding access logs during reporting by platform performed through company devices and network.

## 5.3. PROTECTION OF REPORTED PEOPLE

The Daniele Group undertakes, in order to protect the dignity and reputation of any person, to offer maximum protection from defamatory reports and, in any case, from reports which have proved unfounded and carried out with willful misconduct or gross negligence.

In this context and following an analysis, should the Report be unfounded, illegitimate or libelous, Daniele & C. ensures that sanctioning measures are adopted as described in Chapter 7 of this Guideline. In addition, Daniele & C., through its Reporting Committee, may consider informing the reported person about the content of the Report held to be illegal and the Whistleblower's identity to allow the latter to evaluate any action for his/her own protection.

In compliance with the applicable regulations, the Daniele Group adopts the same forms of protection safeguarding the privacy of the Whistleblower also for the person presumed to be responsible for the breach, without prejudice to the provisions of law imposing the obligation to communicate the name of the reported person (e.g. requests from the Judicial Authority, etc.).

The reported person shall be informed as soon as possible and according to the applicable local regulations; however, where there is a substantial risk that the reported person may jeopardize the capacity to investigate effectively the report or the evidences to be acquired, the notification may be delayed.

## 5.4. REFRAINING PROCEDURES

In order to ensure the independence and impartiality of judgement of the body responsible for analyzing and assessing the Report, as well as the full collegiality of the Reporting Committee:

- > in the event that the subject of the Report is a conduct by a member of the Reporting Committee or an employee of the roles that are part of it, such member of the Reporting Committee shall refrain from preliminary analysis and, in the case of investigation, from any activity related to it. The excluded member of the Reporting Committee shall be substituted by the Vice-Chairman of the Board of Directors of Daniele & C. Officine Meccaniche S.p.A. or by a person appointed by him/her;
- > in the event that the subject of the Report is a conduct by more members of the Reporting Committee or employees of more roles that are part of it, such members of the Reporting Committee shall refrain from preliminary analysis and, in the case of investigation, from any activity related to it. These members shall be substituted by persons appointed by the Vice-Chairman of the Board of Directors of Daniele & C. Officine Meccaniche S.p.A. (even the Vice-Chairman can substitute one of the excluded members of the Reporting Committee);
- > in the case that the subject of the Report is a conduct by a member of the Supervisory Committee or by the whole Supervisory Committee of the company subject to the Report, such Supervisory Committee shall be excluded from the communication process referred to the Report and the Reporting Committee shall inform immediately the Board of Statutory Auditors of the involved company about the circumstance;
- > in the case that the subject of the Report is a conduct by a member of the Group Internal Audit and the received Report is deemed to be unfounded, no verification activity can be commissioned to the Group Internal Audit by the Reporting Committee.

## 6. REPORT MANAGEMENT PROCESS

The Daniele Group has defined a Report management system which identifies (i) the individuals who can activate the process, (ii) the type of violations subject to the Report, (iii) the channel that can be used to make a Report, (iv) the activities required to manage each Report, (v) the protection of the Whistleblower and the reported person, (vi) the reporting and (vii) the sanctioning measures.

## 6.1. INVOLVED PERSONS

In line with the applicable regulations and the best practice, the Reporting process can be activated by:

- > employees or former employees of the Danieli Group and all people operating under contractual relationships that lead to their inclusion within the company organization, including types other than the employment contract;
- > members of corporate bodies;
- > third parties including, for example, customers, suppliers, consultants, commercial partners, people whose employment has not started yet or is terminated, shareholders, etc.

Reporting may concern the following people:

- > employees of Danieli Group;
- > members of corporate bodies;
- > third parties (e.g. customers, suppliers, consultants, collaborators, interns, apprentices, commercial partners).

## 6.2. SUBJECT OF THE REPORT

Considering that the Whistleblower can report any violation (be it a fact or an omission) even potentially contrary to the legislation and the internal regulations of the Danieli Group, Reports may concern, including but not limited to:

- > violations of the Code of Ethics, policies, internal procedures and regulations;
- > conflict of interest;
- > theft of goods and unlawful acquisition of commercial information and technical know-how;
- > illegal and/or fraudulent (including financial) activities to the detriment of all the Company's assets;
- > violations of environmental protection and work safety standards;
- > attempted, alleged or actual acts of bribery put in place directly, indirectly or solicited by third parties (e.g. suppliers, consultants, collaborators, customers and intermediaries);
- > any conduct deemed to be unlawful, pursuant to Model 231 of the Group Companies which are subject to it.

## 6.3. REPORTING CHANNELS

The following dedicated reporting channels are provided for the whole Danieli Group:

- > web site - through the dedicated electronic platform Ethics and Integrity Line at the web address [ethics.danieli.com](https://ethics.danieli.com) accessible from any device. This tool is strongly recommended because it ensures - through information encryption - full confidentiality of the Whistleblower's identity, as well as data integrity preservation;
- > by confidential and personal mail addressed to: Reporting Committee - Attn.: President of the Reporting Committee - Danieli & C. Officine Meccaniche S.p.A. – Legal Department, Via Nazionale, 41 - 33042 - Buttrio (UD) - Italy.

Anyone receiving a Report outside the provided channels shall immediately forward it to the President of the Reporting Committee, ensuring the utmost confidentiality in order to protect the Whistleblower's identity and the identity of the persons who might have been reported, and remove such received Report.

The Whistleblower, through one of the dedicated reporting channels, may request to disclose the information in his/her personal possession.

## 6.4. RECEIPT OF REPORTS AND RELATED PRELIMINARY ANALYSIS

Any Reports sent through the dedicated channels is received by the Reporting Committee. The Reports received by mail shall be entered - with the operational support of the GCO - into the dedicated electronic platform to be automatically registered. The Reporting Committee is therefore responsible for carrying out a first analysis of the Report. In particular:

- > in case of a manifestly unfounded Report or a Report outside the scope of enforceability of this Guideline and/or with contents that are already prima facie defamatory and/or slanderous or in the presence of a too general Report without any element allowing to start an in-depth analysis, such Report shall be filed. The Report shall in any case be kept within the dedicated electronic platform, accompanied by a brief note indicating the reason of filing;
- > in case of a Report of facts already known and for which verification and analysis activities are already underway, or there are already pre-litigations, litigations or other ongoing investigations, even by judicial authorities, the Reporting Committee shall assess whether the Report should be connected with the case under investigation;
- > in case of a Report requiring an investigation, the Reporting Committee shall firstly examine if it is relevant pursuant to Legislative Decree 231/01 - since it is a violation of Model 231 or the Code of Ethics or concerns one of the offences provided for in Legislative Decree 231/01 - and, in such case, shall immediately share the Report with the Supervisory Committee of the company subject to the Report, so that the Supervisory Committee can carry out independent evaluations and investigations.

The Reporting Committee, in case of a Report requiring an investigation, shall assess the proper classification of the Report compared to a specific list of categories and shall carry out all checks on the legitimacy of the reported facts availing itself, if deemed appropriate, of the Group Internal Audit department.

In case of a Report with already prima facie defamatory and/or slanderous contents, the Reporting Committee shall take the legal measures provided for in the competent legal system. In the case of such Report, the Group Companies can also apply appropriate disciplinary measures against the Whistleblower.

No measure shall instead be taken, and no sanction shall be imposed against the persons who have made a Report in good faith, even if, following the analysis and verification activities, the described facts are unfounded.

## 6.5. REPORT ANALYSIS AND VERIFICATION

In case of a Report requiring an investigation, the Reporting Committee may request the support of the Group Internal Audit department to carry out checks and in-depth analysis.

Once the Group Internal Audit department has received the mandate, it shall perform all the analysis and verification activities also with the support of other company figures (also of the involved subsidiary) or external specialists, providing the Reporting Committee with periodic updates. In the case where the Supervisory Committee is involved, such updating reporting shall be shared, always through the dedicated electronic platform, also with the members of the Supervisory Committee.

In addition, during the analysis and verification activities, the Group Internal Audit team may communicate with the Whistleblower by means of specific tools such as the chat available on the dedicated electronic platform (encrypted tool) or other identified channels allowing to maintain the utmost protection and anonymity of the Whistleblower.

Once the audit activity has been completed, the Group Internal Audit department shall draw up a Report containing the results and submit it, through the dedicated platform, to the Reporting Committee and, if involved, the competent Supervisory Committee.

Only members of the Reporting Committee can access the whole set of Reports received (except for the specific ones where one of the members is subject to a Report) while, according to the need-to-know principle, any other person shall access only the information referred to the Report for which his/her involvement in management, analysis and verification activity was required.

## 6.6. REPORT ANALYSIS ACTIVITY AND SUBSEQUENT DECISIONS

Once the Reporting Committee has received the Report and assessed its content, it shall take (also with the support of the involved Group Companies) the necessary corrective measures, which may include:

- > any adoption of sanctioning measures against the reported person and/or the perpetrators of unlawful conducts and/or reported violations;
- > adoption of any strengthening action of the internal control and risk management system and Model 231; and, if necessary,
- > any reporting to the Judicial Authority of facts constituting offences or the promotion of civil and/or administrative measures.

The Reporting Committee ensures the Whistleblower that it takes charge of the Report and informs him/her about the adopted measures, the progress and results of the investigation, in accordance with the law and best practice.

Moreover, a Report Executive Summary shall be shared with the following recipients:

- > in case of a Report concerning the Parent Company with the Chairman of the Board of Directors, Executive Directors, the Board of Statutory Auditors, the Supervisory Committee and other recipients defined by the Reporting Committee on a case-by-case basis;
- > in case of a Report concerning a Group Company, with the Chairman of the Board of Directors of the Group Company or equivalent position, the corresponding Board of Statutory Auditors, if any, the Supervisory Committee, if any, and other recipients defined by the Reporting Committee on a case-by-case basis.

## 6.7. REPORTING

The Reporting Committee shall draw up a six-monthly summary report of the activities carried out. Such report shall be shared with the Board of Directors, Board of Statutory Auditors and Supervisory Committee of Danieleli & C.

## 7. SANCTIONING SYSTEM

Should the verifications of the received Reports indicate that a Danieleli Group's employee has acted unlawfully, such employee shall be subject to proper and proportionate sanctioning measures, in accordance with the provisions of Model 231 (if any), the National Collective Bargaining Agreement and other applicable standards.

Furthermore, disciplinary measures shall be taken against anyone infringing the measures to protect the Whistleblower or anyone adopting acts of retaliation and/or discrimination towards the Whistleblower.

In the case of employees of Danieleli Group, Danieleli & C. HR department shall be responsible for evaluating the disciplinary measures to be applied.

In case of individuals other than employees (e.g. suppliers, consultants, collaborators, interns, apprentices, commercial partners), the Group Legal department shall be responsible for evaluating, on a case-by-case basis, any applicable sanctioning measures - also involving the persons who are locally in charge of the involved subsidiaries.

## 8. TRACEABILITY

The Reporting Committee, by using the dedicated electronic platform, ensures the traceability of the Report management process, as well as the adequate retention and storage of the documents provided when reporting and, later, during the whole analysis and verification process, in order to allow the reconstruction of the entire Report management process.

## 9. PERSONAL DATA PROTECTION GUIDELINES

During the Reporting process covered by this Guideline, the Personal Data Protection Model adopted by Danieleli & C. as from 2018 shall be fulfilled in order to ensure the system's compliance with the GDPR and any other applicable data protection legislation.



Considering the type of personal data that may be affected by the Reporting process, the Privacy Team, supported by the GCO and DPO, has adopted the following measures:

- > structuring of processes and Reporting management platform to ensure compliance with the privacy policy (privacy by design), in cooperation with and supported by the platform supplier;
- > activation of an international and dedicated Reporting management platform to ensure proper safety, technical and organizational measures;
- > appointment of the supplier of the dedicated platform and, if necessary, of any other supplier involved in the personal data processing concerned as Data Handler;
- > if necessary, application of LIA - Legitimate Interests Assessment - and DPIA - Data Protection Impact Assessment - to describe the processing, assess its necessity and proportionality and define the management procedures of any risks to the rights and freedoms of persons resulting from the processing itself;
- > definition of the privacy roles and responsibilities of the personnel authorized to process data;
- > definition of the privacy roles and responsibilities of the personnel authorized to process data;
- > appointment, pursuant to Art. 29 of GDPR, of all members of the Daniele Group's Supervisory Committee;
- > implementation of suitable privacy policies for all people involved, especially Whistleblower (pursuant to Art. 13 of GDPR) and reported person (pursuant to Art. 14 of GDPR);
- > execution of an appropriate communication program for employees;
- > performance of a yearly audit on the proper implementation of the measures adopted.

As mentioned above, pursuant to Art. 32 of GDPR, also adequate safety measures have been defined according to the processing, including: HTTPS network protocol, cryptography, personal and non-shared accounts, strong electronic authentication, in compliance with the provisions of the Data Protection Authority.

The Daniele Group performs the anonymization of the personal data transmitted through Reporting channels at the end of the period required for completing the preliminary investigation, keeping only the data intended to ensure statistical reporting (area of origin, Reporting category, etc.).

## **10. DISCLOSURE AND PUBLICATION OF THIS GUIDELINE**

With the support of the Group Marketing department, Daniele & C. shall publish and disclose this Guideline on the web sites of Daniele & C. and of the Group Companies.

With the support of the Marketing department, Daniele & C. shall also disclose this Guideline through instruments such as the publication on the company's Intranet network, flyer delivery, etc.

## **11. TERMS AND CONDITIONS FOR THE IMPLEMENTATION OF THIS GUIDELINE**

The Daniele Group Companies shall implement this Guideline within six months from its receipt, adopting specific Procedures. The Daniele Group Companies shall inform the GCO about any local regulations impeding the implementation of this Guideline.

## **12. REPORTING OF GUIDELINE VIOLATIONS**

Should a recipient of this Guideline be aware of any violation or exception, he/she shall notify it through the reporting channels indicated above.