

Compliance Standard

**Reports received  
by Italgas and its  
Subsidiaries**

**ITH-STC-061-R02**

**Issue date:** 25/07/2023

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Written	IGLEGAL						
Verified	COMPLA	PENALE	HRO	QUAL	SCIS	TRM	INTAU
Approved	AD						
Elements of Compliance	231	262	ANTC	TCF			

Version History

- Rev. 00 (17/10/2017). This document repeals and replaces:  
- Procedure ITH-PRO-002-R00 “Anonymous and non-anonymous reports received by Italgas and its Subsidiaries”, issued on 18 October 2016
- Rev. 01 (17/12/2019).
- Rev. 02 (25/07/2023) – Projected flow of information towards the Tax Department in cases of reports involving tax fraud. Alignment with the provisions of Legislative Decree No. 24 of 10 March 2023 on *“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”*.

For the purposes hereof, (i) the terms and definitions provided in the “Glossary” section available on the company Intranet shall apply; (ii) “Subsidiaries” shall mean the subsidiaries of Italgas S.p.A. established under Italian law.

Any regulatory references are detailed in the “External References” section available on the company Intranet.

Any printed copies of the document are not checked and revised.

Before use it is necessary to check that the document is up-to-date compared with the original in force on the company’s intranet.

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## 1 ABSTRACT

This Compliance Standard governs the process of receiving, reviewing and handling reports submitted by anyone, including anonymously, pertaining to conduct, actions or omissions of which they have become aware within their work that may potentially or actually harm the public interest or integrity of the Company and that fall within the significant breaches pursuant to Legislative Decree No. 24 of 10 March 2023 (“Whistleblowing Decree”) and the national and European Union regulations referred to therein, as well as the Code of Ethics and the Organisation, Management and Control Model adopted pursuant to the regulations set forth in Legislative Decree No. 231 of 2001 (“Model 231”). This Standard fulfils the requirements set forth in Model 231, Italgas’ Anti-Bribery Compliance Standard, of which it is a supporting Regulatory Tool, the regulations on the Corporate Reporting Internal Control System, and the Interpretive Risk and Tax Fraud Risk Management Compliance Standard.

The Italgas Group has integrated in its regulations the provisions on Whistleblowing introduced in the Italian legal system in implementation of Directive (EU) 2019/1937 by the Whistleblowing Decree.

The management of reports and the related data processing for privacy purposes is carried out by each Italgas Group company through its own internal offices or through outsourcing arrangements by way of specific service contracts. Reports must be handled in accordance with the principles of proper business management, in compliance with current legislative regulations and internal regulations on privacy, while also ensuring the confidentiality requirements underlying investigative activities.

In accordance with the Whistleblowing Decree, the confidentiality of the identity of the whistleblower, the person involved or otherwise mentioned in the report, as well as the content of the report, is guaranteed throughout the process of handling reports.

## 2 DEPARTMENTS INVOLVED

Department Mentioned in this document	Organisational Unit
Human Resources Department	Human Resources & Organization (HRO)
Personnel Department	HR Management & Business Partnership (HR&BP)
Internal Audit Department	Internal Audit (INTAU)
Anti-corruption Legal Department	Legal Compliance and Anti-Corruption (COMPLA)
Legal Department	IGLEGAL
Tax Compliance Department	Tax (TAX)
Tax Risk Management Department	Tax Risk Management (TRM)
Qualified Whistleblowing Committee	Chairman of the Board of Directors <sup>1</sup> , Chairman of the Board of Statutory Auditors <sup>2</sup> , Chairman of the Supervisory Body <sup>3</sup>
Whistleblowing Committee	Head of HRO, Head of IGLEGAL, INTAU Manager, GROUP SECURITY Manager

1 If the reported person is the Chairman of the Board of Directors, he shall be replaced in the Qualified Whistleblowing Committee by the Chairman of the Control and Risks and Related-Party Transactions Committee (in subsidiaries, the role is held by the most elderly Independent Director or the most elderly Director).

2 If the reported person is the Chairman of the Board of Statutory Auditors, he shall be replaced in the Qualified Whistleblowing Committee by the most elderly member of the Board of Statutory Auditors other than the Chairman of the Board of Statutory Auditors.

3 If the reported person is the Chairman of the Supervisory Body he shall be replaced in the Qualified Whistleblowing Committee by the most elderly member of the Supervisory Body other than the Chairman of the Supervisory Body.

### 3 COMPLIANCE PRINCIPLES

#### 3.1 Relevant regulations

- Italian Legislative Decree no. 231/2001, including Article 6(2) (d) for information obligations in regard to the Supervisory Body;
- Legislative Decree No. 24 of 10 March 2023 implementing Directive (EU) 2019/1937 on whistleblowing;
- Applicable legislation on the protection of personal data and in particular: (i) Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and the free movement of such data ("GDPR"); (ii) Legislative Decree No. 196/2003 as subsequently amended and supplemented; (iii) all other rules or provisions on personal data protection; (iv) provisions issued by the Data Protection Authority as applicable over time.

#### 3.2 General Principles

- Internal Control and Risk Management System: the Italgas Group, as provided for by its Code of Ethics, undertakes to promote and maintain an adequate internal control and risk management system, to be understood as all the necessary or useful tools for addressing, managing and checking activities in the company, aimed at ensuring compliance with legislation and company regulatory instruments, protecting corporate assets, efficiently managing activities, and providing precise and complete accounting and financial information. The responsibility for implementing an efficient internal control system is shared at all levels of the company's organisational structure. Consequently, all Italgas Group's Personnel, according to their functions and responsibilities, are involved in designing and actively participating in the correct functioning of the internal control and risk management system. The Italgas Group promotes the dissemination, at every level of its organisation, of a culture and standards characterised by awareness of the existence of controls and by an informed and voluntary control-oriented mentality; consequently, Italgas' management, firstly, and in any case all Italgas Group's Personnel, shall contribute to and participate in the company's internal control system and, with a positive attitude, involve its contractors in this respect<sup>1</sup>.
- Whistleblowers: reports may be made, following the

<sup>1</sup> Codice Etico Italgas

procedures of the applicable regulations (including internal regulations such as this Compliance Standard in particular), by Italgas Group Personnel, by Italgas Group Stakeholders and, in general, by any third party with an interest. Reports may also be made: (i) when the legal relationship with the Italgas Group has not yet started, if the information was acquired during the selection process or in other pre-contractual stages; (ii) during the probationary period; (iii) after the end of the legal relationship if the information on the violations was acquired during the course of the relationship.

- Handling of reports: reports are handled in an accurate, impartial, objective and timely manner, documenting and tracking the entire process, based on the principles of trust, impartiality and protection towards the whistleblower and other parties referred to in the Whistleblowing Decree as further indicated below.
- Independence and professionalism of internal audit activities: the Italgas' Internal Audit Department conducts its activities ensuring that the necessary conditions of independence and due professional objectivity, competence and diligence are maintained, as set out in the international standards for the Internal Audit professional practice and code of ethics issued by the Institute of Internal Auditors (IIA), as well as in the Code of Ethics. Internal Audit reports to Italgas S.p.A. and carries out its activities with reference to the Company and its subsidiaries with the majority of voting rights that have conferred this activity based on specific intercompany service agreements.
- Confidentiality guarantee: those tasked with receiving and processing reports must guarantee the absolute confidentiality of the identity (and any other information from which the identity may be inferred, even indirectly) of the whistleblower, the person being reported, and the persons otherwise mentioned in the report, as well as the content of the report itself. To this end, criteria and methods of communication which serve to protect the integrity of the persons mentioned in the reports shall be followed.
- Prohibition of retaliation: the Italgas Group guarantees that the person making the report is not subject to any form of retaliation, discrimination or any other harmful or otherwise unfair conduct, be it threatened or actual, direct or indirect, and aims to guarantee the reliability of the reports themselves by avoiding any instrumental use of anonymous reports. This form of protection also extends

to the following subjects: (i) “facilitators”, i.e. those who assist the whistleblower in the reporting process and work within the same work environment as the whistleblower; (ii) persons who work in the same work environment as the whistleblower and are related to the latter by way of a stable emotional or kinship relationship within the fourth degree; (iii) co-workers of the whistleblower who work in the same work environment as the whistleblower and hold a regular and current relationship with the whistleblower; (iv) entities owned by the whistleblower or for which the whistleblower works, as well as entities operating in the same work environment as the whistleblower. The above guarantees are also ensured by way of disciplinary sanctions against those who violate the protection measures in place for the whistleblower and the subjects mentioned above, along with the ability to report any retaliatory or discriminatory acts against them to the ANAC, which shall inform the competent authority, whereby any retaliatory or discriminatory dismissal, transfer, change of duties of the whistleblower, or any other retaliatory or discriminatory measure taken against the recipients of these protection measures may be considered null and void.

- Without prejudice to the above confidentiality guarantees, information related to the report may be communicated according to the process described below and in compliance with the relevant terms and procedures: (i) to the Whistleblowing Committee and the Qualified Whistleblowing Committee, and (ii) to the company departments in charge of carrying out the relevant investigations, exclusively in cases where their knowledge is required in order to understand the facts reported and/or to conduct the relevant checks.
- Protection of reports “in bad faith”: Italgas and its Subsidiaries ensure adequate protection from “bad faith” reports, by condemning such conduct in line with the Code of Ethics.

### 3.3 Contents of the reports and competent bodies

With the exceptions mentioned in Article 1(2) of the Whistleblowing Decree<sup>2</sup>, reports may pertain to information, including well-founded suspicions, acquired in the context of one's work, of potential or actual violations (i.e. conduct to conceal violations):

- of Legislative Decree No. 231/2001, Model 231 and/or the Code of Ethics ("231 Reports");
- of the Company's internal control system (including but not limited to: the violation of an internal regulatory instrument on personal data protection, which would not entail a predicate offence giving rise to corporate administrative liability pursuant to Legislative Decree no. 231/2001), as well as the further significant breaches set out in the Whistleblowing Decree, including those of national and European Union regulations referred to therein that are not covered by the 231 Reports ("Internal Control and Malfeasance Reports").

Specifically, reports are received by the Internal Audit Department as per paragraph 3.4 below and, due to their content, are analysed as follows:

- 231 Reports as governed by paragraph 3.5 below;
- Internal Control and Malfeasance Reports as governed by paragraph 3.6 below;
- 231 Reports and Internal Control and Malfeasance Reports concerning a member of the Board of Directors, Board of Auditors or Supervisory Board ("Qualified Reports") as governed by paragraph 3.7 below.

The Internal Audit Department must:

- send the whistleblower an acknowledgement of receipt of the report within 7 (seven) days from the date of receiving the report;
- provide a follow-up response to the whistleblower within

2 "2. The provisions of this Decree do not apply:

a) to objections, claims or demands relating to a personal interest of the reporting person or the person making a report to the judicial or accounting authority that pertain exclusively to his/her individual labour or public employment relationships, or his/her labour or public employment relationships with higher-ranking figures;

b) to reports of violations already regulated by the European Union or national acts indicated in Part II of the Annex to this Decree or national acts that constitute implementation of the European Union acts indicated in Part II of the Annex to Directive (EU) 2019/1937, although not indicated in Part II of the Annex to this Decree;

c) to reports of violations in the field of national security, as well as tenders relating to defence or national security issues, unless these are covered by the relevant secondary legislation of the European Union".

3 (three) months from the date of sending the above-mentioned acknowledgement of receipt to inform them of the timely and diligent action taken or intended to be taken on the report<sup>3</sup>.

Anyone<sup>4</sup> who receives a report outside of the proper channels shall ensure that it is forwarded in its original form to the Internal Audit Department, no later than 7 (seven) days after its receipt, using the channels under Annex 1, so as to ensure the confidentiality referred to in Section 3.2 and the effectiveness of the investigations.

The Internal Audit Department must also be sent for due assessment any documentation relating to the events reported received in connection with the report, guaranteeing at all times the utmost confidentiality of the information mentioned above. In the case of reports that refer to a person who, pursuant to this Compliance Standard, is designated to receive and/or handle reports, be it in whole or in part, said reported person must refrain from carrying out any activities concerning the report (e.g. analysis, investigation and assessment of the investigation) and must be excluded from such activities by the other persons designated to receive and/or handle reports.

### 3.4 Reporting channels

To facilitate the receipt of reports, each Italgas Group company shall make reporting channels available as indicated in Annex 1; these channels are available on the encrypted IT platform for reports to be submitted in both written and oral form. The IT platform provides separate and independent sections for each Italgas Group company to ensure maximum independence and separation of the dedicated channels. The Internal Audit Department is tasked with providing, maintaining and managing said reporting channels availing itself of the relevant company departments and/or external outsourcers, without prejudice to any differentiated access and consultation rights granted only to those in charge of handling the reports.

Each report is reviewed in strict compliance with the provisions of this Compliance Standard.

3 Pursuant to Article 2(2)(n) of the Whistleblowing Decree, the term "follow-up" means "action taken by the person tasked with managing the reporting channel to assess the facts reported, the outcome of the investigation and any measures taken". Pursuant to Article 6(1)(12) of Directive (EU) 2019/1937 implemented by the Whistleblowing Decree, examples of "follow-up" are actions such as "an internal investigation, prosecution, action to recover funds, or dismissal of the case".

4 Italgas Group Personnel, Supervisory Bodies, Independent Auditors and any other Business Partner.

In the case of reports received orally through the encrypted computer channel, the message may be recorded on a suitable listening device (or fully transcribed only where the whistleblower has provided his/her express consent). In the case of a report made orally, a face-to-face meeting may be held at the whistleblower's request, where the report is recorded, with the whistleblower's express consent, on a suitable device for storage, listening or transcription. In the case of transcription, the whistleblower must verify, rectify or confirm the content of the transcription or record.

### 3.5 231 Reports

In compliance with the provisions of Model 231 and paragraph 3.3 of this Compliance Standard, the body competent to review 231 Reports is the Supervisory Body ("SB") of the Company to which the report refers.

For each 231 Report, the SB assesses the information received and, where necessary, also with the assistance of the Technical Secretariat, contacts the reporting party for more information.

The SB also assesses whether to carry out any checks, using the Internal Audit Department and/or out-of-house professionals at its discretion, in accordance with the provisions of Model 231.

In particular, once it has received the 231 Report, the Supervisory Body:

- a) with the assistance of the Technical Secretariat, opens the "231 Report Files";
- b) reviews the reports and proceeds with the dismissal: (i) of any reports that are clearly without grounds or "in bad faith"<sup>5</sup>, as well as (ii) of all reports that have already been subject to specific investigation activities in the past where the preliminary investigations conducted do not give rise to new information such as to make it necessary to conduct further investigation activities.

If the 231 Report requires analysis or investigation, the Supervisory Body:

- a) where deemed necessary, sends the file to the Internal Audit Department, which will act as indicated in paragraphs 3.6 et seq. of this Compliance Standard;

<sup>5</sup> Without prejudice to, for the latter, the action set out in paragraph 3.9 "Disciplinary Measures", below.

- b) carries out verifications and investigations, including through the conferral of professional appointments on third parties, as envisaged by the Model 231;
- c) as necessary, maintains contact with the reporting party and may request that they provide additional information on the subject of the report;
- d) involves – while ensuring confidentiality as per paragraph 3.2 – the corporate structures involved in the report, in order to acquire documents, information and any other materials or statements that may be useful to verify the facts reported;
- e) notifies the departments concerned of all appropriate recommendations;
- f) submits the results of its checks (accompanied by its own observations) to the Whistleblowing Committee so that it can then involve (for their own determinations): (i) the HRO Department (e.g. to apply any disciplinary measures against the persons involved); (ii) the IGLegal Department;
- g) reports the outcome of the checks in its half-yearly report to top management, in accordance with the provisions of Model 231.

If the report concerns corruption, the Supervisory Body also notifies the Anti-Corruption Legal Department of the opening of the file and the investigations.

In the event of reports involving tax fraud, the Supervisory Body shall promptly inform the Tax Compliance Department, as expressly stated in the Interpretive Risk and Tax Fraud Risk Management Compliance Standard (to which reference should be made for further details).

### 3.6 Internal Control and Malfeasance Reports

#### 3.6.1 Investigation

In accordance with paragraph 3.3 of this Compliance Standard, the competent body for analysing Internal Control and Malfeasance Reports is the Whistleblowing Committee.

Through the Internal Audit Department, the Whistleblowing Committee ensures that the necessary investigations are conducted with regard to the facts reported, through one or more of the following activities, making sure that they are carried out as quickly as possible whilst guaranteeing the completeness and accuracy of the investigations:

1. Preliminary investigation;
2. Investigation;
3. Audit;
4. Corrective action monitoring.

#### 3.6.2 Preliminary investigation

In relation to Internal Control and Malfeasance Reports, the Internal Audit Department:

- a)
- b) submits Internal Control and Malfeasance Reports to the Whistleblowing Committee through appropriate means and methods to ensure confidentiality as referred to in paragraph 3.2.

Once the Internal Control and Malfeasance Report is received, the Whistleblowing Committee:

- a) reviews the reports and proceeds with the dismissal: (i) of any reports that are clearly without grounds or “in bad faith”<sup>6</sup>, as well as (ii) of all reports that have already been subject to specific investigation activities in the past where the preliminary investigations conducted do not give rise to new information such as to make it necessary to conduct further investigation activities;
- b) where deemed necessary, it analyses and investigates directly with the corporate structures and/or persons involved;
- c) identifies Internal Control and Malfeasance Reports whereby, using the verification instruments available, an investigation (i) is deemed suitable to provide findings on

6 Without prejudice to, for the latter, the action set out in paragraph 3.9 “Disciplinary Measures”, below.

- the events reported (“verifiable reports”), or (ii) would not make it possible to obtain any useful findings (“non-verifiable reports”);
- d) sends the “non-verifiable reports” to the departments concerned, together with any recommendations, if applicable, on any actions to take.

In connection with “verifiable reports”, the Whistleblowing Committee notifies the Internal Audit Department, which:

- a) supports the most appropriate checks, also by involving other company departments within their respective remits, in order to make the necessary assessments and propose to the Whistleblowing Committee dismissal of the reports, where this is deemed appropriate;
- b) where the report relates to issues of corruption that are not included among 231 Reports (e.g. cases of purely internal or trivial relevance which, while not a criminal offence, are relevant due to the violation of internal procedures), the competent body shall also inform the Anti-Corruption Legal Department that a file has been opened and that checks are being carried out;
- c) in the case of reports concerning tax fraud not covered under 231 Reports (e.g. the commission of tax offences which do not fall within the types of offences referred to in Legislative Decree 231/2001), it shall promptly inform the Tax Compliance Department, as expressly established in the Interpretive Risk and Tax Fraud Risk Management Compliance Standard, to which reference should be made for further details;
- d) proceeds to enter the information contained in the “Reports files” in the “Report management, monitoring and reporting system”.

The preliminary investigation activities pertaining to the reported events which are being investigated by public authorities, as well as the transmission of audit reports to the Judicial Authority, are subject to prior evaluation by the Head of the Legal Department.

### 3.6.3 Assessment

The investigation is aimed at conducting targeted inspections on “verifiable reports” which make it possible to identify, analyse and evaluate any elements that might confirm whether the reported events are well-founded.

The Internal Audit Department ensures the performance of the

necessary inspections: either directly at the concerned company facilities, or through personnel at an appropriate seniority level who may be identified by the senior management of Italgas and its Subsidiaries in the relevant departments, and acquires the necessary information to perform its assessments.

As necessary, the Internal Audit Department maintains contacts with the reporting party and may request that they provide any additional information on the subject of the report.

At this stage, the Head of the Internal Audit Department shall assess whether to open an audit (see paragraph 3.6.4), informing the corporate control bodies thereof in line with the *"Italgas Group Internal Audit Guidelines"*.

At the end of the investigations, the Internal Audit Department prepares the dismissal proposal for the Whistleblowing Committee, which may:

- approve its inclusion in the "Statements on Reports";<sup>7</sup>
- request further investigations/in-depth examinations.

Having obtained the positive opinion of the Whistleblowing Committee on the dismissal proposals, the Internal Audit Department enters them in the "Statements on Reports".

### 3.6.4 Audit

The aim of the audit activities on the reports is to proceed with specific investigations, analyses and evaluations in order to ascertain whether the reported events are well-founded, as well as to formulate any recommendations on the necessary corrective action to take on the company areas/processes concerned by the report, in relation to which the managers prepare a specific plan of action.

The audit activities carried out on the reports<sup>8</sup> are conducted by the Internal Audit Department with priority over other audits included in the Annual Plan, by taking into account the principles

7 The flows relating to the "Statements on reports" are described in detail in paragraph 3.8 of this regulation.

8 The Internal Audit Department launches the investigation into the content of the reports through an audit and proceeds to conduct a preliminary check aimed at verifying whether an audit has been planned/is underway on the activity concerned by the report; i) in the event of a negative outcome, it initiates a spot audit or, if compatible with the time schedule, it enters the audit in the plan for the following year; ii) in the event of a positive outcome, it evaluates whether it is possible to include the content review of the reports in the planned audit, taking into account the relevance of the statements contained in the reports to the scope of the planned audit and the number/volume of the reports to be examined.

and methods of performance governed by the reference regulatory framework on the subject of Internal Audit activities<sup>9</sup>.

The said audits are evaluated by the Head of Internal Audit Department and distributed in compliance with the provisions laid down by the afore-mentioned reference regulatory framework.

After reviewing the audit reports issued following reports by the relevant corporate bodies, the Internal Audit Department shall supplement the file with the relevant findings and inform the Whistleblowing Committee and, in the case of 231 Reports, the competent Supervisory Body of its filing.

### 3.6.5 Corrective action monitoring

If the investigation and/or audit stages give rise to corrective actions on the internal control system<sup>10</sup>, the management of the areas/processes under examination are responsible for preparing a corrective action plan aimed at removing the critical issues found. Internal Audit Department monitors the related implementation.

### 3.7 Qualified Reports

In connection with the provisions of paragraph 3.3 of this Compliance Standard:

- the Internal Audit Department forwards the Qualified Reports to the Secretary of the Board of Directors and, in agreement with the latter, informs the Qualified Whistleblowing Committee;
- the subject competent to investigate Qualified Reports is (the ***"Head of the Qualified Reports Investigation"***):
  - a) if the reported party is a member of the Board of Directors other than the Chairman of the Board of Directors and the Chief Executive Officer, the Head of the Qualified Reports Investigation is the Chief Executive Officer, as the Director in charge of the Internal Control and Risk Management System<sup>11</sup>;
  - b) if the reported party is the Chief Executive Officer, the Head

<sup>9</sup> *"Italgas Group Internal Audit Guidelines"*

<sup>10</sup> The corrective actions arising following the reports may also relate, apart from the improvement of the internal control system, to management/disciplinary actions against employees and/or management actions against third parties.

<sup>11</sup> For Subsidiaries with a sole director, the report will be investigated by the Supervisory Body.

- of the Qualified Reports Investigation is the Chairman of the Control, Risk and Related Party Transactions Committee<sup>12</sup>;
- c) if the reported party is the Chairman of the Board of Directors, the Head of the Qualified Reports Investigation is the Chief Executive Officer;
  - d) if the reported party is a member of the Board of Statutory Auditors other than the Chairman of the Board of Statutory Auditors, the Head of the Qualified Reports Investigation is the other member of the Board of Statutory Auditors<sup>13</sup>;
  - e) if the reported party is the Chairman of the Board of Statutory Auditors, the Head of the Qualified Reports Investigation is the oldest member of the Board of Statutory Auditors;
  - f) if the reported party is a member of the Supervisory Body other than the Chairman of the Supervisory Body, the Head of the Qualified Reports Investigation is the other member of the Supervisory Body<sup>14</sup>;
  - g) if the reported party is the Chairman of the Supervisory Body, the Head of the Qualified Reports Investigation is the oldest member of the Supervisory Body.

For each Qualified Report, the Head of the Qualified Reports Investigation, with the help of the secretary of the Board of Directors and the Internal Audit Department, shall assess the information received and, where necessary, contact the reporting party for more information.

More specifically, the Head of the Qualified Reports Investigation, through the secretary of the Board of Directors and the Internal Audit Department:

- a) opens the "Qualified Reports Files";
- b) communicates the receipt of each Qualified Report to the Qualified Whistleblowing Committee through appropriate means to ensure confidentiality as referred to in paragraph 3.2.
- c) reviews the Reports and, having consulted the Supervisory Body with regard to 231 Reports, makes proposals to

<sup>12</sup> For Subsidiaries, the report will be investigated by the most elderly Independent Director or the most elderly Director.

<sup>13</sup> Note that the term "other member" refers to a member of the Board of Statutory Auditors other than the party reported and other than the Chairman of the Board of Statutory Auditors. For Subsidiaries with a sole director in which a single auditor has been appointed, the report will be investigated by the sole director.

<sup>14</sup> Note that the term "other member" refers to a member of the Supervisory Body other than the party reported and other than the Chairman of the Supervisory Body. For Subsidiaries with a one-person Supervisory Board, the investigation of the report shall be carried out by the sole director or CEO.

the Qualified Whistleblowing Committee so that, where appropriate, it may order the dismissal: (i) of any reports that are clearly without grounds or “in bad faith”<sup>15</sup>, as well as (ii) of all reports that have already been subject to specific investigation activities in the past where the preliminary investigations conducted do not give rise to new information such as to make it necessary to conduct further investigation activities.

Where the Qualified Report calls for an investigation or analysis, the Head of the Qualified Reports Investigation Department (with the support of the Secretary of the Board of Directors and the Internal Audit Department), informing the Qualified Whistleblowing Committee and Supervisory Body of the 231 Reports whilst ensuring confidentiality as referred to in paragraph 3.2:

- a) involves the corporate structures involved by the report for the location of documents, information and all other materials or declarations as may be considered useful to verifying the event reported;
- b) upon completion of these activities, drafts a specific report and sends it to the Qualified Whistleblowing Committee and to the Supervisory Body (for 231 Reports).

The Qualified Whistleblowing Committee<sup>16</sup> duly assesses the above and submits its findings: (i) to the departments and/or competent bodies for any measures to be taken, also in accordance with the provisions of the Model 231; (ii) to the Supervisory Body, with the exception of Qualified Reports regarding a member of the Supervisory Body.

The secretary of the Board of Directors and the Internal Audit Department inform the Anti-Corruption Legal Department of the results of the above procedure, if relating to Qualified Reports regarding events that could constitute corruption.

<sup>15</sup> Without prejudice to, for the latter, the action set out in paragraph 3.9 “Disciplinary Measures”, below.

<sup>16</sup> For Subsidiaries with a sole director, the duties of the Qualified Whistleblowing Committee are performed by the sole auditor if the report regards the sole director, by the single-member Supervisory Body if the report regards the sole auditor and by the sole auditor if the report regards the single-member Supervisory Body.

### 3.8 Reporting

For each company for which it manages the reporting channel, the Internal Audit Department shall draw up a report on the reports received ("Statement on Reports") in such a way as to guarantee confidentiality as referred to in paragraph 3.2.

Each Statement on Reports contains files of any "open" reports in the relevant half-year period, as well as any reports subject to "dismissal proposals" relating to reports received in the same half-year period and/or resulting from previous periods<sup>17</sup>.

The Statement on Reports for Italgas is sent to:

- Chairman;
- Chief Executive Officer;
- Board of Statutory Auditors;
- Control, Risk and Related Party Transactions Committee;
- Supervisory Body (for 231 Reports only).

Statements on Reports relating to each Subsidiary for which the report management service is outsourced shall be sent to the following bodies<sup>18</sup>:

- Chief Executive Officer or Sole Director;
- control body;
- Supervisory Body (for 231 Reports only).

Specific and anonymous reports are drawn up only for issues falling within the competence of the Tax Risk Management Department, the Anti-Corruption Legal Department and the Officer Responsible, and sent to the heads of the relevant departments for the fulfilment of their respective duties.

<sup>17</sup> In the event of reports considered relevant, the Internal Audit Department may decide to draft a quarterly statement.

<sup>18</sup> The information is provided as part of the control and supervisory duties of said bodies. The investigations conducted by Italgas Internal Audit do not modify the prerogatives and independence typical of the control and supervisory bodies of the company concerned pursuant to company regulations and legal provisions.

### 3.9 Disciplinary measures

Italgas shall make every reasonable effort to interrupt and sanction any conduct contrary to this Compliance Standard.

In the event that the investigation reveals:

- objective elements proving the “bad faith” of the entity that has submitted the report, the Whistleblowing Committee, on the proposal of the Human Resources Department, decides on any measures to be taken, monitors the implementation thereof and ensures that the entity and/or Company reported is promptly notified;
- alleged unlawful or irregular conduct on the part of one or more Company employees, either the Supervisory Body or Internal Audit Department, depending on the case, shall forward the results of the checks to the Whistleblowing Committee so that, in turn, it can involve the Human Resources Department for the subsequent activities under its responsibility, including:
  - initiating the procedure by collecting data and information on the employees involved from the relevant departments/Companies, verifying with the latter any damage caused to the Company;
  - reviewing any legal and/or contractual and/or internal standards violations (including of Code of Ethics and Model 231), with the aid of the relevant Legal Department.

In this regard, it should be noted that the following also constitute conduct liable to disciplinary action:

- direct or indirect retaliatory or discriminatory acts – for reasons directly or indirectly connected to the whistleblowing report – against the whistleblower or other recipients of the protection measures provided for under the Whistleblowing Decree, namely: (i) “facilitators”; (ii) persons who work in the same work environment as the whistleblower and are related to the latter by way of a stable emotional or kinship relationship within the fourth degree; (iii) co-workers of the whistleblower who hold a regular and current relationship with the whistleblower; (iv) entities owned by the whistleblower or for which the whistleblower works, as well as entities operating in the same work environment as the whistleblower;
- any conduct that may hinder the submission of the report;
- breach of the confidentiality guarantees referred to in paragraph 3.2;
- failure to carry out the verification and analysis of reports received.

In the event that the alleged unlawful conduct is found not to give rise to disciplinary measures, the Human Resources Department shall prepare a dismissal proposal and give notice to the Whistleblowing Committee.

In the event that the alleged unlawful conduct is found to give rise to disciplinary measures, the Human Resources Department evaluates the seriousness of the conduct and formulates a proposal for the appropriate organisational/management actions. The proposal highlights the damage caused to the Company or the related estimate.

The Human Resources Department shall initiate disciplinary action where appropriate.

If the actions implemented imply or result in the termination of the employee's employment relationship, the Legal Department evaluates the necessary measures vis-à-vis the competent Judicial Authorities and any legal action to be implemented in order to protect the Company's interests.

### 3.10 Data controller and supervisor for privacy purposes

The personal data of the reporting parties and any third parties involved, collected in fulfilment of this Compliance Standard, in compliance with the information notice on personal data processing attached hereto (Annex 2) is processed in accordance with the GDPR, Legislative Decree 196/2003 as subsequently amended and supplemented, and all and any other legislative decrees, deeds of law or national regulation governing personal data protection, and all and any other provision adopted by the Data Protection Authority.

The Controller of the personal data relating to the reports, in accordance with Article 4(1)(7) of the GDPR is Italgas S.p.A. or each Italgas Group company principal of the relations to which the data refers.

The updated list of Data Processors can be found at Company's registered office. The Data Manager processes the data in compliance with the regulations currently in force and on the basis of the instructions received by the Data Controller.

The Data Controller must send immediately and, in any event, without delay, the reports received by the Internal Audit Department, in accordance with the forms and methods set forth by this Compliance Standard.

#### **4 CONSERVATION OF DOCUMENTATION AND RESPONSIBILITY FOR UPDATES**

All work documentation arising from the application of this document shall be stored by the relevant Departments, in accordance with the timing and procedures laid down by the Italgas Enterprise System.

Records of reports must be kept for as long as necessary to process them, and in any case no longer than five years from the date of communication of the final outcome of the report handling process.

Updates of the document in question and their related disclosure shall be ensured by the procedures laid down by the Italgas Enterprise System.

If the conditions are met, the Company shall be required to comply with the unbundling legislation in all its forms. In particular, it shall be subject to the accounting separation requirements and the management of Commercially Sensitive Information must take place in compliance with the provisions of the specific regulations.

## 5 LIST OF ANNEXES

Annex	Unit responsible for updates
Reporting Channels	Internal Audit Department
Information notice on personal data processing	Anti-corruption Legal Department





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