

WHISTLEBLOWING POLICY

INTRODUCTION

The Whistleblowing Policy intends to encourage and enable employees to raise their serious concern about misconduct or any aspect of ACRA's work, within the organisation rather than overlooking a problem or reporting it externally.

According to the legislation in force d.lgs. 24/2023, the whistleblower is the person who reports, discloses or denounces to the judicial or accounting authorities, violations of provisions of national or European Union law which that harm the public interest or the integrity of the public administration or of a private entity, of which he/she has become aware in a public or private employment context.

The claim/complaint may relate to an incident that has happened in the past, is happening at the moment or is believed will happen in the future. The whistleblower can choose to remain anonymous or disclose his/her identity. In both cases, claims/reporting of wrongdoing will be treated with utmost confidentiality.

Scope and target of the Whistleblowing Policy

In order to promote an internal culture of correct behaviour, based on legality, and a good Corporate Governance system, ACRA presents this Whistleblowing Policy as the expression of the possibility - for all those who collaborate with the organisation and for the beneficiaries of the projects - to report circumstances of supposed illegal, irregular or ethically incorrect behaviour occurring within the organisation. This Policy addresses in particular all sectors in Italy and abroad, including the Board of Directors, the statutory and Law Body, the employees, the collaborators, the volunteers, the partners and the beneficiaries of ACRA's projects. The organisation guarantees that the procedures to verify the reports will be carried out in compliance with national and foreign legislation applying to the present Policy.

This Policy is drawn up in compliance with the Legislative Decree 24/2023, implementing the European Directive 1937/2019, which introduced the right to report for all member states and defines the role of whistleblowing both as a tool for preventing wrongdoing and as a manifestation of freedom of expression.

The aim of the European Directive is to regulate the protection of whistleblowers within the Union, introducing common minimum standards of protection to give uniformity to national laws. It provides protection for whistleblowers without differentiating between the public and private sectors in order to facilitate the emergence of wrongdoings committed not only within the so-called public sector entities but also within private companies and firms operating in various market sectors.

As implementation of the European Directive, the d.lgs. 24/2023 entered into force on 30 March 2023 bringing together in a single legislative text the entire discipline of reporting channels and of the protections provided for the whistleblowers in both the public and private sectors. It represents an organic and uniform regulation aimed at greater protection of the whistleblower, who is thus more incentivised to report wrongdoing within the limits and in the manner indicated by the decree.

Misconduct Types

Although not exhaustive, misconduct may be any failure to comply with applicable law, ACRA's Code of Ethics, PSEA and Child Protection Policies and any other internal rule.

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Misconduct may be motivated by a planned or intentional purpose or by an obstinate indifference to the consequences of one's acts, in some circumstances even compromising the liability of the organisation.

The types of activities that should be reported include, but are not limited to the following:

- Theft, *fraud*, or corruption
- Financial mismanagement
- Unauthorized use of funds
- Physical, emotional or sexual exploitation & abuse of employees, beneficiaries, or clients
- Child abuse
- Failure to comply with legal obligations
- Endangering of an individual's health and safety
- Damage to the work environment
- Criminal offence
- Failure to follow financial and contract procedure rules
- Showing undue favour to a contractor or a job applicant
- Unfair treatment
- Falsification of costs or expenses
- Forgery or alteration of documents
- Destruction or removal of records
- Inappropriate personal use of ACRA's assets
- Employees seeking or accepting cash, gifts or other benefits from third parties in exchange for preferment of the third parties in their dealings with ACRA
- Blackmail or extortion
- Offering, promising or giving of a bribe and requesting, agreeing to receive or accepting a bribe for any reason
- Paying of excessive prices or fees to third parties with the aim of personal gain
- Harassment and discrimination.

Definitions of ACRA's main unethical fraudulent behaviours

The following are some *fraudulent* behaviours that do not comply with the organisation's ethics.

Corruption

Corruption is defined, in a generic sense, as the conduct of a public official who receives, for himself or for others, money or other benefits that are not due to him (Articles 318, 319, 320 of the Criminal Code). It therefore refers to any conduct or behaviour on the part of managers or individuals holding specific positions in organisations and companies, aimed at receiving rewards and favours for themselves or others.

In ACRA it is forbidden to directly or indirectly offer money, gifts, or benefits of any kind in a personal capacity to directors, officers or employees of suppliers, external collaborators, partners, public administration bodies, public institutions or other organisations for the purpose of gaining undue advantages.

Fraud

The concept of fraud can be defined as:

- a conduct aimed at abusing the trust of others contrary to the general principle of good faith in order to obtain personal benefits;
- a conduct aimed at circumventing legal rules and their enforcement effects;
- a conduct aimed at producing damage to others.

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ACRA is aware of the importance of transparency, accuracy and completeness of accounting information. For this reason, it strives to have a reliable administrative-accounting system, able to correctly represent the management of facts and to provide tools to identify, prevent and manage, as far as possible, the risks of financial and operational nature, as well as frauds to the detriment of the organisation.

All actions and operations of the organisation must be adequately recorded and it must be possible to verify ex post the process of decision, authorisation and performance. It is expressly forbidden to prevent or obstruct, through the concealment of documents or other suitable artifices, the performance of control or audit activities legally assigned to the corporate bodies or the independent auditing company.

It is in any case forbidden to obstruct, in any form whatsoever, the functions of public supervisory authorities in the course of audits and/or inspections.

Theft

Theft is defined as the act of taking property for personal gain.

Every ACRA employee or collaborator is obliged to operate with diligence, through responsible behaviour and in line with the operating procedures established for the use of the assets, means, tools of the organisation and its activities abroad, accurately documenting their use and avoiding improper use of the assets for purposes and purposes unrelated to their duties and work.

Extortion

Engaging in coercive conduct towards third parties to obtain benefits. ACRA prohibits conduct that implies directly or indirectly offering money, gifts, or benefits of any kind in a personal capacity to directors, officers or employees of suppliers, external collaborators, partners, public administration bodies, public institutions or other organisations for the purpose of obtaining undue advantages.

Abuse

The exercise of one's authority or position to improperly influence the decisions of others by discriminating or inducing them to commit offences, and the use of information and knowledge to favour other persons or entities, whether competitors or not, for the purpose of obtaining personal benefits, is strictly forbidden and discouraged by ACRA.

Conflict of interest

Having private interests in the same field of institutional intervention whose activities are then managed to obtain personal benefits.

ACRA's employees and collaborators, in the exercise of their functions, at different levels of responsibility, must not take decisions or carry out activities in conflict with the interests of the organisation or incompatible with ACRA's mission and values. The situations in conflict with this rule must be immediately communicated to their respective Managers. In particular, conflicts of interest must be avoided between any personal or familiar economic activity and the tasks that are carried out within the structure to which they belong. Finally, no recipient of the organisation may obtain personal advantages in relation to the activity performed on behalf of the organisation.

Favouritism and nepotism

Favouring friends or relatives over candidates with better characteristics to fill certain positions. In the relations with the stakeholders (interest bearers), ACRA does not take into account recommendations or suggestions of external or internal origin and ensures impartiality and fairness in compliance with the legal and contractual rules and with the principles stated in the Code of Ethics. Respect for laws and regulations

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The operators undertake to adopt every measure of prevention and control to guarantee, within the scope of their activity, the respect of the laws in force in the country where they operate and of the internal procedures and regulations in every geographical context and at all decisional and executive levels. ACRA operators who become aware of omissions, falsifications, negligence in accounting or in the documentation on which accounting records are based, are required to report the facts to their contact person according to the procedures provided for by the regulations.

Non-discrimination

The non-discrimination Principle is aimed at guaranteeing equal treatment between people regardless of nationality, gender, religion, origin, sexual orientation, political beliefs, age and any physical impairment.

The employees and collaborators of ACRA are bound to respect the fundamental rights of the person, without any form of discrimination. Any conduct that, directly or indirectly, causes offence, denigration for reasons of religion, language, sex, nationality, origin, or discriminatory behaviour is forbidden.

Reporting crimes or irregular activity

Each recipient of this policy is required to report any behaviour, risk and suspicion of offences or violations and other irregularities occurring within the organisation, of which the whistleblower becomes aware of in the workplace and/or during the execution of his or her duties and/or during relationships with the organisation.

In general, the report may concern acts or omissions committed or attempted in contrast with the Code of Ethics and the Legislative Decree 231/2001, as well as those that might damage the image and/or the assets and/or the employees, collaborators and beneficiaries of the projects of the organisation.

Whistleblowing does not concern remonstrations or mere complaints of a personal nature of the whistleblower, nor claims and requests that fall under the discipline of workplace relations or relationships with superiors or colleagues, which are cases that must be referred to the competent personnel management units.

Specific procedures are published and periodically updated by the organisation according to the evolution of the norms in force, in order to define the communication channels for the reception of the reports, the methodology to be followed in their examination, their processing and the final provisions put in place.

As a general rule, with the d.lgs. 24/2023 the choice of reporting channel is no longer left to the discretion of the whistleblower as priority is given to the use of the internal channel and, only in presence of one of the conditions set out in Article 6, it is possible to make an external report.

Employees working in ACRA's missions abroad should report their suspicions to the Country Whistleblowing Focal Point, who is represented by the Country Coordinator/Head of Mission. Alternatively, if necessary, please refer directly to the HQ Whistleblowing Focal Point for reporting.

Employees working at ACRA's headquarters should report their suspicions to the HQ Whistleblowing Focal Point, who is represented by the General Director.

If the circumstances are such that reporting a suspicion as above is inappropriate, or if the person to whom the suspicion was reported is unable to provide assistance, the issue may be reported to ACRA's Internal Auditor.

For Sexual Exploitation, Abuse, and Child Abuse perpetrated at both Mission and HQ level, refer to the PSEA and CP Policies.

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Please make your complaint as specific as possible and include details such as:

- a) The type of alleged wrongdoing you are reporting;
- b) Where and when these events occurred;
- c) Who are the people involved and who is aware of the issues you are reporting;
- d) How the individual, organization or company committed the alleged wrongdoing;
- e) Why you believe the conduct should be investigated and why you are reporting the matter;
- f) All documents and references to other sources that support the complaint.

Whistleblowers' responsibilities

The present Policy does not affect the penal responsibility of the whistleblower in the hypothesis of reports of slander or of defamation under the Penal Code and article 2043 of the Civil Code. The whistleblower is also responsible for any form of abuse of this policy, such as reports that are clearly opportunistic and/or made for the sole purpose of harming the charged person or others, and for any other suspicion of improper use or of intentional manipulation of the organisation.

Misconduct Investigation Procedure

If the report of misconduct is received at the Mission or at the HQ level, the investigation procedure is the following:

1. *Initial Assessment*
2. *Establishment of an investigation team*: its scope, aims, responsibilities and duties are developed whenever preliminary information gathering and fact-finding from the initial assessment indicate that the allegation may have substance; or that there is reasonable doubt that the allegation falls within the definition of misconduct.
3. *Opening of investigation*
4. *Reporting the investigation findings*: Investigation findings and supporting documentation are duly recorded and filed.
5. *Proper disciplinary action* or other measures are taken within a reasonable timeframe.

The effectiveness of the procedure is measured by:

- Having investigations conducted within a reasonable period of time, from the time the allegation was made until the investigation findings are submitted.
- Ensuring confidentiality of information: ACRA recognizes that some whistleblowers wish to raise concerns confidentially, which is ensured by the confidential process followed by the independent investigators.

Anonymous Allegations

This Policy encourages whistleblowers to put their name into their allegation whenever possible. Anonymous reports will be considered only if they concern facts of particular gravity and whose contents is sufficiently detailed and specific to bring to light facts and situations relating to well defined contexts. Concerns expressed anonymously are much less powerful because it will be difficult to follow up on the circumstances of the allegations. Confidentiality will always be ensured whenever a concern is raised and the protection of the individual, who reports it, is carefully considered.

Anonymous allegations will be considered taking into account:

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- a) The seriousness of the issues raised
- b) The credibility of the concern;
- c) The likelihood of confirming the allegation from attributable sources.

To submit a report indirectly or anonymously, please fill in the attached form and proceed through one of the following reporting channels:

- By email: whistleblowing@acra.it
- By post: Fondazione ACRA, via Lazzaretto 3, Milan, 20124, Italy

Confidentiality and Protection of whistleblowers

As provided for by national Law No. 197 /17 *“Dispositions for the protection of the authors of reports of crimes or irregularities of which they have become aware of in the setting of a public or private business relationship”*, ACRA guarantees the protection of the identity and the person of the whistleblower in handling the report.

Furthermore ACRA, will not tolerate any direct or indirect act of reprisal or discrimination against the whistleblowers for reasons directly or indirectly related to the report. When a persons with a direct or indirect subordinate work contract with the organisation, in good faith and in the interest of the organisation's integrity, reports a presumably illicit behaviour, of which he/she has become aware during his/her employment, he/she may not be sanctioned, demoted, dismissed, transferred or subjected to other organisational remedial measures, with direct or indirect negative effects on the working conditions, as a result of the report. Any other discriminatory measures or reprisals against the whistleblower are also forbidden and any employee, who is found to have harassed another staff member who has raised a concern, will face serious disciplinary action.

In cases of controversies related to the application of disciplinary sanctions or change of role, firing, transferral, or of imposition on the whistleblower of other organisational measures with direct or indirect negative effects on working conditions following the reporting, the employer must demonstrate that such measures are based on reasons unrelated to the whistleblowing. The Whistleblowing Policy describes the details on the protection of the whistleblower’s identity and the management of cases related to the retaliation against those who have undertaken the report.

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WHISTLEBLOWING REPORT FORM

If you have seen or suspect an irregular activity underway and you have cause for concern regarding a crime, please follow the guidelines and fill out the questions below where appropriate. You must identify in this form whether it is an actual misconduct or a suspected one.

CONFIDENTIAL: please restrict the access to this document and keep it stored safely.

Complaint Details (Person reporting the complaint): Name: _____ Present position: _____ Relationship with ACRA at the time of the reported incident: _____ Line Manager/Supervisor: _____ Contact details: _____
Misconduct/Improper activity description: _____ _____ _____
Incident Details (please identify whether it is an actual incident or a suspected incident): Has the incident been seen or is the incident suspected? _____ Who disclosed the incident to you? _____ Date of the alleged incident: _____ Time of the alleged incident: _____ Location of the alleged incident: _____ Description of the alleged incident and how it's affecting you, your work or the organisation (Please use additional sheets of paper if necessary and attach any relevant document or evidence): _____ _____ _____ Was there any other individual or private company involved in the alleged incident? If so, who? What was their relationship with ACRA? _____ Was there any witness? If so, who? _____
Alleged Offender Details: Name: _____ Sex: _____ Age: _____ Ethnic origin/Nationality: _____ Position: _____ Relationship with ACRA at the time of the reported incident: _____
Observations: _____ _____
Have you previously complained about related incidents? If yes, when and to whom did you complain? _____ _____
SIGNATURE PERSON REPORTING:
DATE:
SIGNATURE ACRA WHISTLEBLOWING FOCAL POINT FOR RECEPTION:
REFERENCE NUMBER (TO BE COMPLETED BY THE WHISTLEBLOWING FOCAL POINT): [XX/YY]

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REPORT ON INVESTIGATIONS & ACTIONS TAKEN FOR WHISTLEBLOWING INCIDENTS

The Whistleblowing Focal Point, following the reporting of an incident, will fill in a report on the actions taken by the organization in response to the incident reported, to the resolution.

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REFERENCE NUMBER: [XX/YY]
Description of the action taken by the organization in response to the alleged incident reported (investigations, support measures to protect the whistleblower, warning, legal action, dismissal, monitoring, ect.), specify the timing, if external support involved:
Description of the action taken by other organizations or entities (local authorities, ect.) in response to the allegations:
RESOLUTION:
DATE:
SIGNATURE ACRA WHISTLEBLOWING FOCAL POINT:

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ANNUAL REPORT ON WHISTLEBLOWING COMPLAINTS

For the period from 01/01/YY to 31/12/YY

This report summarizes every whistleblowing reporting activity at ACRA for the year _____.
The report also highlights improvements that have been implemented as a direct response from such complaints. This report is filled in by the HQ/Country Focal Point.

Table 1: Activity and Performance Data

	YY
Number of formal complaints received	
Number of informal complaints received	
Number of closed complaints	

Table 2: Details of each complaint received

Month in which the request was received	Ref no. XX/YY	Channel of complaint	Issue of complaint	Outcomes and Actions

COUNTRY/HQ FOCAL POINT:
NAME SURNAME:
SIGNATURE:
DATE:

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Terms of Reference of the Country Whistleblowing Focal Point

General purpose of the role:

With the support and supervision of the HQ Whistleblowing Focal Point, the Country Whistleblowing Focal Point established by ACRA is assigned to collect complaints and reports about alleged acts of whistleblowing involving ACRA staff and personnel within the geographical area/country of responsibility. Additionally, the Country Whistleblowing Focal Point has the responsibility to actively ensure awareness on the best practices in accordance to the Whistleblowing Policy.

Reporting line:

HQ Whistleblowing Focal Point

Main responsibilities and tasks:

- Collect complaints and reports about alleged acts of whistleblowing involving ACRA staff and personnel within the geographical area/country of responsibility;
- Ensure complete confidentiality of complaints and reports;
- Take appropriate action to support and ensure safety to whistleblowers of alleged cases, as well as alleged offenders;
- Follow-up on the whistleblowing cases together with specialized team (internal or external) if needed;
- Update HQ Whistleblowing Focal Point by signalling the received reports;
- Deliver the annual report on whistleblowing reports related to the geographical area/country of responsibility to the HQ Whistleblowing Focal Point;
- Raise awareness on the Whistleblowing Policy, promoting and ensuring best practices by all ACRA staff and personnel, as well as beneficiaries and target communities;
- Encourage and disseminate the availability of reporting procedures in the clearest way, to ensure that whistleblowers are aware of their possibilities of action;
- Guarantee that every ACRA staff and related personnel within the geographical are/country of responsibility has completed the mandatory training and ensuring that the course requested by ACRA has been completed by collecting the course certificates;
- Register all the received course certificates inside ACRA's archive
- Collect ACRA staff and personnel's declarations of any previously existing relationships with beneficiaries (if it is the case);
- Share with the HQ Whistleblowing Focal Point lessons learned, best practices and risks to improve the whistleblowing reporting mechanisms, policy and protocols;
- Provide inputs, suggestions for improvements and recommendations for future actions for the regular revision of the country-specific whistleblowing strategy.
- Keep the clear check register in the country for the employed staff, related personnel and candidates.

I, the undersigned _____, hereby acknowledge that I have read, understood and agreed to perform the role of Country Whistleblowing Focal Point in accordance with these terms of reference.

Signature: _____ Date: _____

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Terms of Reference HQ Whistleblowing Focal Point

General purpose of the role:

The HQ Whistleblowing Focal Point established by ACRA is in charge of ensuring the implementation of the Whistleblowing Policy within the country mission, with particular emphasis on the whistleblowing training and awareness. Additionally, the HQ Whistleblowing Focal Point is in charge of monitoring and supervising the Country Whistleblowing Focal Point (Country Representative) to ensure proper and effective response to whistleblowers allegations.

Reporting line:

General Director, Head of Corruption Prevention and Transparency (Compliance Officer)

Main responsibilities and tasks:

- Receive complaints and reports about alleged whistleblowing incidents;
- Safeguard all the materials pertaining to complaints and reports about alleged acts of whistleblowing in strict confidence;
- Alert and update the Board of Directors by signalling critical whistleblowing incidents;
- Prepare the Annual Report on Whistleblowing allegations for the HQ and country missions and submit the report at least once a year to the Board;
- Coordinate the work of whistleblowing incidents investigation;
- Support the development of the country-specific whistleblowing strategy, as well as the elaboration of the country-specific annual implementation plan and the identification of the necessary resources for implementation;
- Monitor and regularly review the effectiveness of the whistleblowing training and awareness materials and programmes;
- Guarantee that every ACRA staff and related personnel has completed the mandatory training;
- Register all the received course certificates inside ACRA's archive
- Lead the development of training and awareness materials on the content of the Whistleblowing Policy and related standards of behaviour;
- Collect ACRA staff and personnel's declarations of any previously existing relationships with the beneficiaries (if it is the case);
- Attend whistleblowing related Board meetings;
- Keep the clear check register in the country for candidate, staff, and related personnel.

I, the undersigned _____, hereby acknowledge that I have read, understood and agree to perform the role of HQ Whistleblowing Focal Point in accordance with these terms of reference.

Signature: _____ Date: _____

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