

FRAMON S.P.A.

'WHISTLEBLOWING' REGULATION

Regulation on Whistleblowing:	The Regulation governs how to send circumstantiated reports on unlawful conduct, relevant under Legislative Decree 24/2023, with protection of confidentiality for the whistleblower.
Approval:	resolution of the Board of Directors of the Company, on _____.
Revisions:	

Preamble:

Legislative Decree No. 24 of 10 March 2023, which transposed Directive (EU) 2019/1937 concerning 'the protection of persons who report infringements of European Union law'

('Whistleblowing regulation'), makes provision for, in summary:

- the obligation, for private sector entities that have employed, on open-ended or fixed-term employment contracts, in the last year, on average, more than fifty employees or who, regardless of the number of employees:
 - i) fall within the scope of the European Union acts listed in the annex to the decree (regarding financial services, products and markets, prevention of money laundering and terrorism financing, transport security and environmental protection) or
 - ii) falling within the scope of Legislative Decree 231/2001, have adopted the organisation and management models provided for therein, the establishment of internal reporting channels (one of which is computer-based) for the transmission of reports that guarantee, also through the use of encryption tools, the protection of the confidentiality of the identity of the whistleblower, the person involved and/or otherwise mentioned in the report, the content of the report and related documentation;
- the possibility (if one of the conditions provided for in Article 6(1) of Legislative Decree No. 24/2023 is met) of sending external reports through the channel managed by the National Anti-corruption Authority (hereinafter ANAC), as well as to make public disclosures (if one of the conditions set out in Article 15, paragraph 1, of Legislative Decree No. 24/2023 is met), by means of print or electronic media or by means of dissemination capable of reaching a large number of people;
- protective measures, including the prohibition of retaliation, to protect the whistleblower as well as the whistleblower's facilitators, colleagues and relatives and legal entities connected to the whistleblower;
- the imposition of disciplinary measures by the employer in the event of a breach of confidentiality, engaging in retaliatory acts against whistleblowers or making unfounded reports, with malicious intent or gross negligence, as well as

- the imposition of administrative fines by ANAC in the cases provided for in Articles 16 and 21 of Legislative Decree No. 24/2023.

The manner in which Framon S.p.A. (hereinafter also referred to as the 'Company') has implemented the aforementioned provisions are illustrated and described in these regulations.

1. Purpose of the Procedure

The procedure governed by these regulations is intended to regulate the process of sending,

receiving, analysing and handling reports of violations of national or EU regulatory provisions, which harm the public interest or the integrity of the public administration or private entity, pursuant to Legislative Decree No. 24/2023, published in the Official Gazette on 15.03.2023 and entered into force on

30.03.2023. For anything not expressly stated in these regulations,

the provisions of the aforementioned decree remain fully applicable.

2. SUBJECT OF THE REPORTS

Information may be reported on:

- the violation or well-founded suspicion of violation of national and/or European Union legislation, which affects

the public interest or the integrity of the public administration or private entity, committed in the context of the organisation of the Company and, more generally,

- relevant unlawful conduct within the meaning of Article 2 of Legislative Decree

24/2023, provided they are based on precise and

concordant facts,

- relevant unlawful conduct pursuant to Legislative Decree no. 231/2001.

In addition, the reported facts must be within the direct knowledge of the whistleblower and not reported by

other persons and must have occurred within the Company or, in any case, be related to it or to

parties operating therein, in any capacity whatsoever.

The report cannot, therefore, regard grievances of a personal nature of the whistleblower or claims and demands, which relate to the regulation of the

employment relationship or relations with hierarchical superiors or colleagues, for which the ordinary

methods provided for in the human resources regulations apply. It also cannot be based on mere suspicions or information

reported by others. The following are also excluded from the application of this Regulation: violations regarding

national security, as well as contracts relating to defence or national security aspects, unless

these aspects are covered by secondary European Union law, as well as violations regulated, as per mandatory requirements, by European Union or national acts, as indicated in Article 1, para.

2(b) of Legislative Decree no. 24/2023 (concerning financial services, products and markets, the prevention of money laundering and financing terrorism, transport security and environmental protection).

If there is any doubt as to the classification of conduct, the person who intends to report it

may informally refer the matter to the Head of Internal Reporting Systems, as indicated in Article 4 below, for the assessment of the case.

The whistleblower must provide, in the report, all the elements relevant to ascertaining the alleged fact and to its evaluation. The report, in particular, must contain the following elements:

- description of the unlawful conduct;
- indication of the identity of the whistleblower, including the title, function and/or role played;
- clear and complete description of the facts being reported;
- indication of the circumstances of time and place in which the facts occurred, if known;
- Indication of personal details or other elements enabling the identification of the person responsible for the reported facts (hereinafter referred to as the "Reported person"), if known,

- indication of any additional persons who may report on the facts being reported;
- indication and attachment of any additional documents that may confirm the facts reported;
- any further information that may provide useful feedback on the existence of the reported facts, and
- declaration by the whistleblower as to the absence or existence of a private interest related to the report.

3. Whistleblowers

Reports can be made by:

- the personnel employed by the Company;
- volunteers and trainees, paid and unpaid, who work for the Company;
- all those who operate on the basis of relationships, which determine their inclusion in the company organisation, including in a form other than employment;
- all those who collaborate even occasionally with the Company, including freelance professionals and consultants working on behalf of the Company, as well as workers and associates of the supplier companies and customers;
- partners and persons with administrative, management, control, supervisory or representative functions, including

where such functions are performed on a de facto basis at the Company,

(hereinafter jointly referred to as the 'Whistleblowers' and individually as the 'Whistleblower')

4. Appointment of the Internal Reporting Systems Manager

The Company, taking into account its size and in the absence of management positions, in line with the principle of proportionality and according to the provisions of the relevant legislation and specified by the National Anti-Corruption Authority, appointment of corruption prevention and transparency officer

("RPCT" or "Whistleblowing Officer") Mr. Ezio Mascherini, as Administrative and Human Resources Manager, which is therefore entrusted with the task of managing the internal reporting system, ensuring the smooth running of the proceedings.

Said person, in fact, has the expertise

required in order to take up the role, has adequate knowledge of the organisation and of the functioning of the Company and is endowed with the necessary evaluative autonomy.

The Company also appoints as Reserve Manager, in the event that the report concerns the corruption and transparency prevention officer, as appointed above, or the latter has a potential interest related to the report, such as to compromise the impartiality and independence of judgement, the Chairperson of the Board of Statutory Auditors Mr. Antonio Elba, as hierarchically and functionally independent and not subordinate to the Head of Human Resources (the "Reserve Manager").

It is the responsibility of the Whistleblowing Officer and,

if applicable, of the Reserve Manager (hereinafter jointly referred to as "Competent body"):

- to ensure the proper functioning of procedures;
- to diligently follow up the reports received, within the terms indicated in Article 7 below;
- to report information directly and without delay to the Board of Directors and the Board of Statutory Auditors, where relevant;
- to draw up an annual report on the proper functioning of the internal reporting system, containing aggregated information on the findings of the activity carried out as a result of the reports received, approved by the Board of Directors.

5. Reporting methods

The report may be transmitted by the whistleblower to the receiving party as indicated in Article 4 above, through the 'TeamSystem Whistleblowing' platform, which guarantees, with computerised and encryption tools, the confidentiality of the identity of the whistleblower, the facilitator, and

nonetheless, the entities mentioned in the report (hereinafter, the 'Software').

The Software enables the compilation, transmission and receipt of reports, also in anonymous form, as well as the

possibility for the competent body, which accesses it via special credentials, to communicate with the Whistleblower, without knowing his/her identity.

The software automatically provides for the complete and confidential logging of documents received

and informs the Whistleblower of the receipt of the report as soon as it has been forwarded to the system.

6. Report management

Where the competent body deems the report to be manifestly unfounded, it dismisses the report

immediately, giving notice thereof to the Whistleblower, in the manner indicated in Article 5 above.

In the event that the report appears to be circumstantiated with precise and concordant facts, the competent body proceeds with the investigation, aimed at verifying the content of the report and acquiring useful elements for assessing its merits, while respecting the principles of impartiality and confidentiality. To this end, he/she may request a personal hearing of the Whistleblower and of any other persons who, on the basis of the report, he/she believes can report on the reported facts. A record of these hearings is kept, archived and

stored in the manner and within the limits indicated in Article 8 below.

The investigation is carried out through audit procedures and objective investigative techniques and aims to:

- proceed, within the limits of the tools available to the competent body, to in-depth studies and specific analyses to verify the reasonable grounds of the reported factual circumstances;
- reconstruct the management and decision-making processes applied, based on the documentation and evidence made available;
- provide any indications regarding the adoption of the necessary remedial actions, aimed at correcting possible control deficiencies, anomalies or irregularities detected in the areas and business processes examined.

The scope of the analysis of the investigation does not incorporate, except to the extent of manifest unreasonableness, the discretionary or technical-discretionary assessments of the merits or opportunities, of decision-making and management aspects made from time to time by the company structures/positions involved, as they are the exclusive responsibility of the latter.

The person in charge of the investigation is, as mentioned above, the Whistleblowing Officer and, if the conditions set out in Article 4 above are met, the Reserve Manager. However, the investigation can be carried out also with the support of the relevant corporate functions (hereinafter also the 'Corporate bodies') and/or of third-party consultants from outside the Company, subject to the protection of the confidentiality of the Whistleblower, the subject, operating in the same work environment as the persons mentioned in the report, who assists the Whistleblower in the reporting process (hereinafter also referred to as 'Facilitator') as well as - where possible - of the reported person.

It is everyone's duty to cooperate with the investigating party in the conduct of the investigation. The investigation must be carried out in a fair and impartial manner. The name of the Whistleblower is known exclusively by the competent body.

The report must therefore be forwarded to the corporate bodies and/or to any external consultants, if involved in the investigation activity, without all the information and/or data from which the identity of the Whistleblower can be deduced.

In the event that the report is considered particularly serious, in view of the conduct and/or of the professional figure concerned, the competent body shall provide prompt and timely information to the Board of Directors and the Board of Statutory Auditors, for the adoption, if applicable, of the relevant measures. As regards the various steps in the handling of the report, the Whistleblower and the reported person (if this does not

compromise the outcome of the investigation or the adoption of subsequent measures against him/her), receive specific information, so that they are always informed of developments in the proceedings. The competent body prepares a final report on each investigation (hereinafter also referred to as the 'Report') containing:

- a description of the established facts;
- an indication of the evidence gathered, as well as
- an indication of the causes and shortcomings that allowed the reported offence to occur
- and, if possible, possible remedial action.

7. Conclusion of the investigation

The reporting procedure must be concluded as soon as possible, according to criteria that take into account the seriousness of the breach and the need to avoid the continuation or repetition of the unlawful conduct. In any case, it cannot last longer than three months from the transmission of the notice of receipt of the report referred to in Article 5. Within said term, the competent body shall provide feedback to the Reported person and, at the same time:

- dismiss the report when it finds that it is unfounded;
- inform the Board of Directors and the Board of Statutory Auditors if the report proves to be well-founded, for the adoption of the relevant measures and the initiation of the necessary and appropriate mitigating and/or corrective actions;
- transmit the Report to the relevant corporate functions, for the initiation of disciplinary proceedings aimed at

imposing disciplinary sanctions, where appropriate, in line with the provisions of the applicable regulations and the relevant collective labour agreements;

- forward the notification and the Report, while respecting the confidentiality of the Whistleblower, to the competent judicial authorities, should it deem it necessary or appropriate.

In the event that the Whistleblower is jointly responsible for the fact being reported, he/she shall receive

favourable treatment vis-à-vis other responsible parties, compatibly with the applicable regulations and except in cases where the illegal conduct established is particularly serious.

8. Processing of personal data

The personal data collected in the reporting process are processed in accordance with current legislation (Legislative Decree. 196/2003 and subsequent amendments, and EU Regulation No. 679/2016, GDPR). In order to ensure traceability, confidentiality, preservation and retrievability of data throughout the proceedings, the documents are stored and archived by the Software. It is the responsibility of the software provider to ensure that documentation and reports are kept for a period of time not exceeding that necessary for the purposes for which the data are collected or subsequently processed and, in any case, not exceeding five years from the date of communication of the final outcome of the reporting procedure. Personal data manifestly not useful for processing a specific report are not collected or, if accidentally collected, are deleted without delay. In accordance with the law in force and the company's privacy procedures, the processing of personal data of persons involved and/or mentioned in reports is protected. In particular, the Competent Body is authorised by the Company, in its capacity as data controller and under its authority, to process personal data of which it has become aware, in the context of internal whistleblowing proceedings, by reason of its role, having received specific training on privacy issues and adequate professional training on the discipline of whistleblowing, also with reference to concrete cases. The Whistleblower is informed in accordance with Articles 13 and 14 of the GDPR about the purposes, legal bases and the manner in which the personal data provided in the course of the procedure will be processed, as well as the modalities of exercise of the rights recognised to him/her under Articles 15 to 22 of the GDPR.

9. Protecting the confidentiality of the Whistleblower

In accordance with the principles laid down in EU Regulation 2016/679, the protection of the privacy of the

Whistleblower and, where possible, of the reported person, paying particular attention to this aspect at the stage of transmission of any report to third parties, is guaranteed. In particular, references to the identity of the Whistleblower, if known, are expunged from communications to third parties and from documentation

produced and/or acquired during the course of the

proceedings. The confidentiality of the Whistleblower is protected both when acquiring the report

and in any subsequent context and can be revealed, pursuant to Article 12 of Legislative Decree no. 24/ 2023, exclusively in the circumstances and conditions set out below:

- within the framework of the possible disciplinary proceedings, if the dispute is founded, in whole or in part,

on the report and knowledge of the identity of the Whistleblower is indispensable for the defence of the reported person and only in the presence of prior communication of the reasons that make the disclosure of the Whistleblower's identity necessary and his/her express consent;

- within the framework of criminal proceedings, if any, in the manner and within the limits provided for in Article 329 of the Code of Criminal Procedure, which provides for the obligation of secrecy on acts performed in preliminary investigations as long as the defendant cannot have knowledge of it and, in any

case, no later than the closing of the preliminary investigations.

- in the proceedings before the Court of Auditors, following the closure of the preliminary investigation phase, in order to be used in the proceedings themselves;
- in internal and external reporting procedures, if the disclosure of the identity of the Whistleblower is

indispensable for the reported person's defence and only in the presence of the prior communication of the reasons

which make it necessary to reveal the identity of the Whistleblower and his/her express consent, and

- in cases where liability for slander and/or defamation may be incurred by the Whistleblower under the provisions of the Criminal Code or under Article 2043 of the Italian Civil Code.

Violation of the duty of confidentiality, as a result of the disclosure of information on the basis of which the identity of the Whistleblower can be deduced, without one of the above-mentioned conditions being met, constitutes a breach of this Regulation and is a source of disciplinary liability, without prejudice to further forms of liability laid down in the law.

The protection of the confidentiality of the Whistleblower is also extended to the Facilitator, as well as to all persons in general, other than the reported person, mentioned in the report.

10. Prohibition of retaliation

No direct or indirect forms of retaliation or discriminatory measures against the whistleblower, affecting working conditions, for reasons connected, directly or indirectly, to the report, shall be permitted or tolerated.

Retaliatory measures include, in particular:

- dismissal, suspension or equivalent measures;
- demotion or non-promotion;
- change of role, change of workplace,
- salary reduction, modification of working hours;
- suspension of training or any restriction of access to it;
- negative notes of merit or negative references;
- the adoption of disciplinary measures or other sanctions, including fines;
- coercion, intimidation, harassment or ostracism;
- discrimination or otherwise unfavourable treatment;
- non-conversion of a fixed-term employment contract into a permanent employment contract, where the employee had a legitimate expectation of such conversion;
- non-renewal or early termination of a fixed-term employment contract;
- damage, including to a person's reputation, particularly on social media, or economic or financial, including loss of financial opportunities and loss of income;
- inclusion in improper lists on the basis of a formal or informal sector or industry agreement, which may result in the person being unable to find future employment in the sector or industry;
- early termination or cancellation of the contract for the supply of goods or services;
- the cancellation of a licence or permit and
- the request to undergo psychiatric or medical examinations.

Any retaliatory acts taken as a result of the report are null and void. Workers who have been dismissed because of the report are entitled to be reinstated in their jobs, in implementation of the rules applicable to them. Engaging in retaliatory acts constitutes a violation of this regulation and is a source of disciplinary liability. For applicable sanctions and the sanction procedure, please refer to the Disciplinary System adopted by the Company. A whistleblower who believes he/she has suffered retaliation for having made a report must give detailed notice to the competent body which, after assessing

the merits of the grievance, reports the alleged retaliation to the relevant corporate functions for adoption of the necessary measures for restoring the situation and/or remedying the negative effects of discrimination. This is without prejudice to the right of the Whistleblower to take legal action against the perpetrator of the discrimination and against the Company, whether it actively participated in the disputed

conduct, for the protection of his/her rights and interests. In the context of judicial or administrative proceedings or out-of-court disputes concerning the verification of retaliatory conduct to the detriment of the Whistleblowers, it is presumed that it has been engaged in as a result of the report, public disclosure or complaint to the judicial or accounting authorities, pursuant to Article 17 of Legislative Decree No. 24/2023. The responsibility for proving that such conduct or acts are motivated by reasons unrelated to the report, public disclosure or complaint therefore remains the responsibility of

of the person who engaged in them.

The aforementioned protective measures are extended, pursuant to Article 3(5) of Legislative Decree No. 3. 24/2023:

- to the Facilitator;
- to persons in the same work environment as the whistleblower, the complainant or the person making a public disclosure, who are linked to it by a stable emotional or family relationship up to the fourth degree;
- co-workers of the whistleblower, complainant or person making a public disclosure, who work in the same work environment as that person and who have a habitual and current relationship with said person;
- entities owned - exclusively or in majority by third parties - by the Whistleblower, complainant or the person making a public disclosure;
- entities where the whistleblower, complainant or person making a public disclosure works, and
- to entities operating in the same work environment as the whistleblower, complainant or person making a public disclosure.

11. Responsibility of the Whistleblower

The submission, with malice or gross negligence, of reports that turn out to be unfounded and/or slanderous or defamatory reports, constitutes a breach of this Regulation and is a source of disciplinary liability on the part of the Whistleblower, without prejudice to further forms of liability provided for by the law.

In such cases, the application of the protective measures set out in Articles 9 and 10 above against the Whistleblower is excluded.

12. Validity, Dissemination and Training

After consulting the trade union representatives or organisations referred to in Article 51 of Legislative Decree 81/2015, this Regulation is approved by the Board of Directors of the Company and enters into force on the day of its approval. It is also reviewed, at least annually, not only during the Company's operations but in conjunction with changes in the relevant regulations.

The Company shall make available to potential Whistleblowers, as identified in Article 3 above,

clear information on the internal reporting channel adopted, as well as on external reporting channels and the prerequisites and the procedures for sending reports. The Company shall, in particular, provide staff with

such information, in a clear, precise and complete manner. This information is also set out in a visible manner, in workplaces and is made accessible to people who, while not frequenting the workplaces, have a legal relationship with the Company (in the terms set out in Article 3), through publication in a dedicated section of the Company's website.