

Whistleblowing Policy

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Rev	Data	Description	Edited	Approved

1) Background

In order to protect the values of integrity and ethical behavior expressed by the Code of Ethics, SO.FI.DEL S.p.A. and its subsidiaries ("the **Group**") support and encourage anyone who intends to report a potential inappropriate behavior, misconduct or alleged violation of laws and regulations, as well as the principles expressed in the Group's policies and procedures.

The process of receiving and handling reports is hereby adopted with the aim of guaranteeing the confidentiality of reporting persons and other protected persons. It also grants the reporting person the possibility to make anonymous reports and guarantees, in any case, the confidentiality of the information shared within the report.

The Group believes in this policy as a tool that strengthens the internal control system already implemented and continuously improved and believes that making a report is a sign of civic responsibility, which contributes to bringing to light and preventing situations that compromise good governance and, more generally, the collective public interest.

2) Objectives of the Whistleblowing Policy

The Whistleblowing Policy defines the common principles relating to the process of receiving and handling reports, which all Group companies shall respect and implement in their concrete operations.

Without prejudice to the provisions of the Whistleblowing Policy, each Group company is required to adopt its own internal operating procedure, under the supervision of the Parent Company, implementing any specific regulations that distinguish the domestic legislation of each country in which the Group operates.

It should be noted that within the scope of the Group's operations there are companies operating in the United Kingdom and the USA; these countries are not subject to the obligation to transpose Directive (EU) 2019/1937 (hereinafter also "**Whistleblowing Directive**"). Accordingly, – without prejudice to compliance with local regulations governing the process of receiving and handling reports – the Group companies operating in the United Kingdom and the USA, in accordance with this Whistleblowing Policy, encourage a corporate culture based on transparency and trust, also providing clear indications on the reporting channels implemented, the subject and methods for submitting reports as well as the process of handling them.

3) Legal Framework

The Whistleblowing Policy is adopted in accordance with the following regulatory acts:

- 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*;

- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 *on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC*;
- National regulatory provisions related to whistleblowing.

4) Material scope: Subject of reports

The Whistleblowing Policy covers reports regarding wrongdoings and violations of European and national legislation, such as – but it is not limited to – violations of European and domestic legislation relating to public procurement, money laundering and terrorist financing, product safety, protection of privacy and personal data; acts or omissions consisting of fraud, VAT fraud, corrupt conduct; as well as acts or omissions affecting the EU internal market.

Reports shall be detailed, based on direct and compelling factual elements, and be as complete and exhaustive as possible. Therefore, reports that are vague, approximate, or mere complaints will not be dealt with.

The Whistleblowing Policy and the operating procedures recognize the reporting person's right to make anonymous reports, provided they are also detailed and adequately documented.

5) Personal scope: Addresses

The persons to whom the Whistleblowing Policy is addressed are the reporting persons, i.e., all persons who have had, have or may have an interest-based connection with one of the Group companies, whether paid or unpaid. This includes – but it is not limited to – employees, self-employed persons, collaborators, suppliers, clients, trainees and volunteers, shareholders and job applicants.

6) Reporting channels

In compliance with whistleblowing and personal data protection regulations, the Group provides potential reporting persons with reporting channels.

In handling the reports received through these channels, the Group undertakes to ensure confidentiality, safeguarding both the reporting person and persons equated with him or her, as well as the reputation and identity of the person concerned.

Information on breaches may be reported – in compliance with the regulatory requirements – throughout:

- an internal reporting channel, the use of which is preferable, either via a dedicated online platform, or through a direct or remote meeting, upon the reporting person's request, which has to be scheduled within a reasonable term;
- an external reporting channel, by forwarding the report to the local authorities;

- a public disclosure, which is allowed only under certain conditions established by the Whistleblowing Directive and the internal regulations of the countries where the Group companies operate.

7) Reporting Management

The management of the internal reporting channel is entrusted:

- for the Parent Company SO.FI.DEL. S.p.A., to a Whistleblowing Commission composed of the Human Resources Director, Risk Management & Compliance Director, Internal Audit Manager;
- for the European subsidiaries of SO.FI.DEL S.p.A., to the Human Resources Manager/Country Human Resource Manager;
- for Sofidel UK to the Finance & HR Director who may involve the Country Human Resource Manager, if deemed necessary;
- for Sofidel America Corp., to the Vice President Human Resources, who may involve the Human Resource Manager of the production site that is the subject of the report, if he/she deems it necessary.

Only if the report concerns all the members of the *Whistleblowing* Commission of SO.FI.DEL. S.p.A., the reporting person may refer the report to the *Chief Executive Officer*, who could involve external consultants/experts to handle the report. If the report concerns the person in charge of handling the internal reporting channel, the reporting person may refer the report to the Parent Company SO.FI.DEL. S.p.A.'s Whistleblowing Commission. Likewise, one or more members of the Parent Company's Whistleblowing Commission may be excluded from the report handling process if they are involved in the report.

The persons in charge of handling reports will be adequately trained with particular reference also to the level of independence they shall ensure in handling reports.

Group companies employing a number of employees below 250 may, during the report handling process and after having informed the reporting person, make use of the Parent Company's investigative capabilities, involving for this purpose the Parent Company SO.FI.DEL. S.p.A.'s Whistleblowing Commission. This is without prejudice to the reporting person's right to request that the investigation be carried out locally.

The report handling process includes five phases listed below, each of which must be adequately documented:

- **preliminary assessment** (with acknowledgement of receipt of the report sent to the reporting person within 7 days, unless otherwise provided by local regulations): this action aims at establishing whether the report falls within the scope of the Whistleblowing legislation, whether it is sufficiently detailed – even after any additional requests made to the reporting person where

deemed necessary – and whether to proceed to the subsequent inquiry; in the absence of such conditions, the report is closed and the reporting person is notified;

- **inquiry** (with a feedback on the report sent to the reporting person within 3 months from the date of acknowledgement of receipt, unless otherwise provided by local regulations): investigations are carried out by the person in charge of handling the report to ascertain whether the report is well-founded, also with the possible involvement of other competent corporate Departments/Functions, monitoring bodies or external consultants/professionals, who are required to ensure the confidentiality of the information shared and of all the persons involved in the report;
- **decision**: formal action concluding the investigation phase, which may be followed by appropriate disciplinary actions according to company procedures and contractual agreements;
- **documentation retention**: retention of documentation in a secure and confidential manner in compliance with the relevant privacy regulations;
- **reporting and monitoring corrective measures**: monitoring by the competent corporate Departments/Functions of the implementation of any recommendations/corrective measures and informing the competent bodies about the handling of report where required by the specific case.

Each phase is subject to detailed analysis within the internal operating procedure adopted and implemented by each Group company.

8) Protection of persons involved in the reporting process

The reporting person receives protection against any retaliatory measures, even indirectly taken against him/her, due to the reports, public disclosures or complaints made to the judicial or accounting authorities. Protection also covers threats or attempts at retaliatory acts.

The protection system for the reporting persons also applies to other persons who may become targets of retaliation, undertaken even indirectly, due to their role they play in the reporting, public disclosure or complaint process and to the special relationship between them and the reporting person. In particular:

- facilitators;
- third persons who are related to the reporting persons and who could suffer retaliation in a work-related context, such as colleagues or relatives of the reporting persons;
- legal entities that the reporting persons own, work for, or that are otherwise connected with in a work-related context.

The persons concerned by the report shall be afforded protection of the confidentiality of their identity in order to avoid any prejudicial consequences, including of a reputational nature, within the work-related context of which they are part.

Confidentiality shall also be ensured for persons other than persons concerned, who, in any case, are involved in Reports because they are referred to therein.

9) Information flows to the Parent Company

Each Group company undertakes to ensure adequate and timely information flows to the Parent Company, by means of an adequate internal reporting system, also through the direct use of the resources made available by the dedicated online platform.

In sending such reports, each company of the Group guarantees the protection of the confidentiality of the reporting person, the person concerned, and any other persons involved in the report, in accordance with European and national regulations on Whistleblowing and Regulation 2016/679.

10) Dissemination of the Whistleblowing Policy

The Whistleblowing Policy:

- is published in a special section of the website www.sofidel.com, in order to enable all potential reporting persons to be fully aware of the channels that can be used to make reports;
- is published on the internal procedure's repository for all employees;
- is made available to each new employee.