

**VIOLATION REPORTING  
PROCEDURE  
(WHISTLEBLOWER PROTECTION)  
Ilpea Group – Ilpea Sp. z o.o.**

APPROVED BY THE BOARD OF THE ILPEA GROUP – 14 DECEMBER 2023. AND  
SUBSEQUENTLY ADAPTED TO POLISH REGULATION: OF THE WHISTLEBLOWER  
PROTECTION ACT OF 14 JUNE 2024. ON 10/10/2024.

REVISION 1.0. OF DECEMBER 20, 2024

## INTRODUCTION

Industrie Ilpea S.p.A. and its affiliates and subsidiaries (hereinafter referred to as the "Ilpea Group") are committed to acting in a lawful, ethical and integral manner with everyone who conducts business and wherever they operate, as indicated in the Group's Code of Ethics.

In order to protect the values of integrity and ethical behaviour expressed in the Code of Ethics, the Ilpea Group supports and encourages anyone who intends to report potential inappropriate, incorrect behaviour or alleged violations of the principles expressed in the Code of Ethics, in the Organisational Model of Legislative Decree 231/2001 (in Italy and in similar documents in other countries), in the Group's policies and procedures and in general, potential violations of laws and regulations.

Reporting of inappropriate or unacceptable behaviour is encouraged so that it can be stopped in good time and action taken against the perpetrators.

This procedure has been drawn up and approved by the Management Board of the Parent Company and then adapted to the Polish regulation (the Law on the Protection of Whistleblowers of 14 June 2024 adopted by Ilpea in Poland (ILPEA Sp. z o.o. with its recorded office in Chelstówek 2a, 56-416 Twardogóra)

## PURPOSE OF THE PROCEDURE

The purpose of the procedure:

- ensuring that all employees and individuals associated with the Ilpea Group feel supported to speak confidentially and report matters that may involve anything inappropriate, unethical or unlawful;
- encouraging everyone to identify and challenge inappropriate, unethical or inappropriate behaviour at all levels of the organisation;
- ensuring clear rules for reporting such cases;
- handling all reports in a timely, consistent and professional manner;
- ensuring that all reports are considered, treated confidentially and dealt with without fear of retaliation, discrimination or punishment for reasons directly or indirectly related to the report;
- ensure the confidentiality of the identity of the Whistleblower (whistleblower) and of the alleged perpetrator, without prejudice to the rules governing the initiation of investigations or legal proceedings by national authorities in relation to the facts reported or in any case of disciplinary proceedings initiated by the Company in the case of reports made in bad faith.

## WHO REPORTS AND WHAT

Reports can be made by whistleblowers, i.e. an individual who reports or discloses to the public information about a breach obtained in a work-related context, including:

1. employees;
2. temporary workers;
3. a person providing work on a basis other than employment relationship, including under a civil law contract;
4. entrepreneurs;
5. proxies;
6. shareholders or associates;
7. memberS of a body of a legal person or an agency without legal personality;
8. a person performing work under the supervision and direction of a contractor, subcontractor or supplier;
9. trainees;
10. volunteers;
11. apprentices;
12. officers, within the meaning of Article 1(1) of the Act of 18 February 1994 on Retirement Benefits for Officers of the Police, the Internal Security Agency, the Foreign Intelligence Agency, the Military Counterintelligence Service, the Military Intelligence Service, the Central Anti-Corruption Bureau, the Border Guard, the Marshal Guard, the State Protection Service, the State Fire Service, the Customs-Security Service and the Penitentiary Service and their families;
13. soldiers within the meaning of Article 2(39) of the Act of 11 March 2022 on the Defence of the Fatherland;
14. a natural person referred to in paragraph 1-1 above in the event of the reporting or public discloser of a breach obtained in a work-related context prior to the

establishment of an employment relationship or other legal relationship giving rise to the provision of work or services or the performance of functions in or for a legal entity or the performance of services in a legal entity, or when such relationship has already ceased.

The procedure sets out the rules and procedure for Reporters (whistleblowers) to report information on violations of the law, i.e. acts or omissions that are unlawful or intended to circumvent the law relating to:

- a) bribery;
- b) public procurement;
- c) financial services, products and markets;
- d) preventing money laundering and terrorist financing;
- e) product safety and compliance;
- f) transport safety;
- g) environmental protection;
- h) radiation protection and nuclear safety;
- i) food and feed safety;
- j) animal health and welfare;
- k) public health;
- l) consumer protection;
- m) privacy and personal data protection;
- n) security of network and ITC systems;
- o) financial interests of the State Treasury of the Republic of Poland, a local government unit and the European Union;
- p) the internal market of the European Union, including public law competition and state aid rules and corporate taxation;
- q) constitutional rights and freedoms of a human being and a citizen in the relations of an individual with the public authorities and not related to the areas indicated in items a) – p);

The Procedure also allows for the reporting of Information on violations relating to the following internal regulations:

- 1) Code of Ethics applicable to the Ilpea Group,
- 2) Organisational Model in accordance with Legislative Decree 231/2001 (where applicable),
- 3) in the policies and procedures, laws and regulations applicable to the Ilpea Group.

A report may relate to a reasonable suspicion of an actual or potential violation of the law referred to above that has occurred or is likely to occur within the Ilpea Group.

## REPORTING IN GOOD FAITH

For a report to be considered it must:

- be made in good faith;

- be justified and based on precise and consistent facts;
- relate to facts which can be established and known directly by the whistleblower;
- include, where known, all information necessary to identify the perpetrators of potentially unlawful conduct:
  - a brief description of known or suspected facts, indicating where and when they occurred;
  - a list of names of persons suspected of involvement (both inside and outside the Companies);
  - a list of names of people who may have relevant information;
  - details of how the Whistleblower became aware of the suspicious activity;
  - any breach of internal controls, policies, procedures or other requirements that the Whistleblower believes has occurred.

It is the duty of the whistleblower, even anonymously, to make reports in good faith, i.e. based on the belief that what has been said is true.

In the event that an allegation is made in good faith but is not confirmed by the investigation, no action will be taken against the person who has made the report.

## REPORTING IN BAD FAITH

Conversely, if a report is patently unfounded, opportunistic or made with the sole purpose of causing harm (anger, annoyance and distress) to the reporter or anyone affected by the report, the report will not be processed and the whistleblower will be subject to disciplinary and/or judicial proceedings.

A whistleblower who makes a report in bad faith (i.e. knowing that there has been no violation of the law or providing false information to that effect) is not covered by the protection provided for in the Procedure and in the Act of 14 June 2024 on the protection of whistleblowers.

In the event that it is determined in the course of verifying the Report or in the Investigation that the Report knowingly contains untruth or conceals the truth, the Whistleblower, who is an Employee, may be held liable for disciplinary action as set out in the Labour Code. Such behaviour may also qualify as a material breach of fundamental employment duties and as such result in termination of the employment contract without notice.

In the case of a Whistleblower providing services or goods to Ilpea in Poland on the basis of a civil law contract, the discovery of the making of a false Report may result in the termination of the contract and cooperation between the parties.

A person or entity that has suffered damage as a result of a report made in bad faith has the right to claim damages or compensation from the Whistleblower on the basis of the applicable legislation, in particular for infringement of personal rights.

A whistleblower who makes a report or public disclosure knowing that a violation of the law has not occurred is liable to a fine, restriction of liberty or imprisonment for up to 2 years.

Ilpea in Poland shall also be entitled to hold the Whistleblower knowingly making a false report liable for damages, in the event that Ilpea in Poland suffers damage as a result.

## HOW TO MAKE A REPORT

In order to protect the confidentiality of the identity of the reporter (Whistleblower) and the persons involved in the report, Ilpea Sp. z o.o provides the following email address as the main channel for reporting:

**[reportspl@ilpea.com](mailto:reportspl@ilpea.com)**

The body designated at Ilpea to receive reports and responsible for the conduct of the Proceedings is the COMMISSION ON ETHICAL CODE, PREVENTION OF MOBBING AND PROTECTION OF WHISTLEBLOWERS (hereinafter "the Commission"). The members of the Commission and their responsibilities are set out in an internal order of Ilpea Ltd.

Additional channels for reporting are also possible:

- by telephone to individual members of the Commission;
- by post at the following address: Ilpea Sp. z o.o. Commission for the Code of Ethics, Anti-Bullying and Protection of Whistleblowers, Chełstówek 2a, 56-416 Twardogóra;
- via contact boxes on site;
- in person – to individual members of the Commission;

Violations may be made in Polish, English or Italian. The report should include an explanation of the subject matter of it and at least the following information:

- a) the personal data of the Whistleblower necessary to identify him/her, including his/her postal address or e-mail address,
- b) the date and place of the violation or the date and place where the information of it has been obtained,
- c) a description of the specific situation or circumstances giving rise to the possibility of a violation,
- d) the identification of the entity or person to whom the report relates, together with the personal data necessary to identify the entity concerned,
- e) identification of possible witnesses to the violation,
- f) identifying all evidence and information available to the Whistleblower that may be helpful in the process of examining the report,
- g) an indication of the preferred means of contact back, including an indication of the address or contact details, for the purpose of communicating the action taken.

An additional corporate reporting channel is established, applicable within the ILPEA Group, which is available only in English or Italian:

The body managing the reports made through the aforementioned channel is the Supervisory Body, composed of impartial professionals, duly appointed by the Board of Directors of the Ilpea Group.

Whatever channels are used for reporting, they will be managed by the Commission, which will be able to provide adequate guarantees of confidentiality and data protection.

It is recommended that the reports be named. Ilpea Ltd. does, however, accept and process anonymous reports. Anonymous reports, compared to identified ones, need to be more detailed so that the facts and situations complained of are sufficient to assess their validity and investigate. It is also necessary to provide data to identify the Whistleblower for sending feedback.

During the course of the investigation, it may be necessary to ask for the identity of the persons involved. There may be circumstances where, due to the nature of the investigation or report, it will be necessary to disclose the identity of the Whistleblower.

In such circumstances, the Whistleblower will need to consent to the disclosure.

## **WHAT HAPPENS AFTER REPORTING?**

Regardless of the channel used (established by Ilpea Sp. z o.o. or by the Management Board of the Ilpea Group) it is expected that the reports will be dealt with by the Commission or by Supervisory Body as a body capable of providing adequate guarantees of confidentiality and data protection.

The Commission is responsible for keeping a record of report accessible only to it. The record of primary documents is attachment no.1 to this procedure.

The record of reports includes:

- a) report number;
- b) subject of the breach;
- c) personal data of the Whistleblower and the person concerned necessary to identify them;
- d) Whistleblower contact details;
- e) date of the reporting;
- f) information on the investigative action taken;
- g) date of the case closure.

The Commission will communicate with the whistleblower, acknowledging receipt of the report and accepting it within 7 working days.

Verification of materiality may result in the need to request clarification or additional information from the Whistleblower.

In the event of a ruling on the irrelevance or inadmissibility of a report (in cases insufficiently supported by evidence, manifestly unfounded or relating to behaviour or facts irrelevant to this procedure), the report will be archived by the Commission / Supervisory Body and the reporter will be informed accordingly.

The reasons that led to the report will be noted in the report record.

If the report is deemed relevant, it will be taken over by the Supervisory Body, which will be responsible for coordinating the investigation and taking any action deemed necessary to determine whether it is justified, with the utmost confidentiality and with the necessary security measures.

The Commission / Supervisory Body may:

- contact the Whistleblower, if possible, and request the Whistleblower for a personal and confidential interview in order to seek clarification and/or supplement the information and documents provided;
- interview any other persons who can provide information on the facts reported;
- carry out any other action deemed appropriate to establish the report.

In carrying out the initial activities, it may involve other employees, other positions of the Company and/or appoint external consultants as necessary. Members of the corporate functions involved in the examination of the report are subject to the same confidentiality restrictions and obligations to which members of the Commission are exposed. The Commission shall draw up and keep minutes of all meetings related to the evaluation activities carried out.

## INVESTIGATION AND DECISION-MAKING

The investigation will be carried out with the utmost care and as quickly and thoroughly as possible in accordance with all relevant laws and regulations.

Where appropriate, the Whistleblower will be kept regularly informed of the progress of such an investigation and any action that will be taken.

The investigation aims to:

- determine whether an offence has been committed and, if so, to what extent;
- minimise the risk of further offences, prevent further loss of property, damage to reputation and protect all sources of evidence.

Investigations will be conducted as comprehensively, quickly and fairly as possible.

To the extent possible, the identities of those involved will be kept strictly confidential. Due to the different types of reports, it is not possible to set a specific timeframe in advance for the completion of investigations. Most investigations will be conducted internally, but an external investigator or investigation team may be appointed if deemed appropriate.

Once the investigation has been completed, the Committee / Supervisory Body prepares a report on the actions carried out and the final assessment of the case and sends it to the Parent Company's Chief Financial Officer or to the Board of Directors in the event of a conflict of interest, who will take the necessary decisions and adopt the measures arising from the report, including the possible reporting of criminal, civil and/or administrative offences to the Judicial Authority.

The Committee/ Supervisory Body will note in the record of reports the outcome of the investigation and any sanctions imposed on the reported person, as well as any legal proceedings initiated against him/her.

In the case of unsubstantiated reports, the Committee / Supervisory Body will proceed to archive the report at the same time, with an appropriate annotation of the reasons in the report record.

Where possible, the Whistleblower will be notified of the report.

The Committee / Supervisory Body will notify the Whistleblower of the decision on the report within a maximum of three months – and in any case as soon as possible, taking into account the importance and severity – of the acceptance of the report, informing the Whistleblower of the measures taken by the company.

## PROTECTION

### **Protection of the confidentiality of the report**

The Group ensures the confidentiality of the Whistleblower's identity and the confidentiality of the information contained in the report throughout the case management process and by all persons involved, to the extent that applicable local laws protect anonymity and confidentiality.

Failure to comply with the duty of confidentiality may result in disciplinary liability against the perpetrator, without prejudice to any additional obligations provided by law.

**All persons involved in the management of the report are obliged to protect its confidentiality.**

Disclosure of the identity of the Whistleblower and any other information is only permitted if necessary and proportionate in the context of investigations by national authorities or legal proceedings. The Whistleblower will be informed of the need to disclose information before his or her identity is revealed, unless this would prejudice an appropriate investigation or legal proceedings.

### **Protection of the Whistleblower against retaliation and/or discrimination**

The ILPEA Group and ILPEA Sp. z o.o. provide protection to Whistleblowers after making a report in good faith or to any person who participated in the investigation, against any form of retaliation, discrimination or penalisation for reasons directly or indirectly related to the report.

Whistleblower protection only applies to persons who report information about illegal or inappropriate activities obtained in the environment and in the course of work.

Under no circumstances are inappropriate investigative activities to gather evidence of wrongdoing allowed.

## **Protection of the information reported**

The Group applies the same forms of protection that guarantee the confidentiality of the identity of the Whistleblower, also with regard to the person allegedly responsible for the conduct or infringement, without prejudice to any legal obligation that requires the name of the Whistleblower (e.g. in response to requests from national judicial authorities).

The Group guarantees the reported person the right to be informed (within a reasonable period of time) of the allegations and any disciplinary measures against him/her, as well as the right of defence.

## **INFORMATION ON EXTERNAL REPORTS AND PUBLIC DISCLOSURE**

Report of Information on infringements may also be made in any case to the Ombudsman or a public authority bypassing the Committee / Supervisory Body of Industrie Ilpea S.p.A., in particular if, within the feedback period established in the Procedure, Ilpea fails to act or provide feedback, or the Whistleblower has reasonable grounds to believe that the infringement of the law may constitute a direct or obvious threat to the public interest, in particular there is a risk of irreparable damage, or making an Internal Reporting will expose it to retaliatory action, or if an internal reporting is made, there is little likelihood that Ilpea Group will effectively address the violation of the law due to the particular circumstances of the case, such as the possibility of concealment or destruction of evidence, the existence of collusion between a public authority and the perpetrator, or the involvement of a public authority in the violation.

A report made to the Ombudsman or a public body bypassing the reporting procedure set out in the Procedure shall not have the effect of depriving the Whistleblower of the protection guaranteed by the provisions of the Whistleblower Protection Act.

A Whistleblower making a Public Disclosure is subject to the protection of the Act if it makes:

- a) The report, and subsequently the external report, and the legal entity, and subsequently the public authority within the feedback period established in the internal procedure, and subsequently within the feedback period established in the external procedure of the public authority, fail to take any appropriate investigative action or to provide feedback to the Whistleblower; or
- b) Immediately of the external report, and the public authority does not take any appropriate investigative action or provide feedback to the Whistleblower within the feedback period set out in its external procedure
  - unless the Whistleblower has not provided a contact address to which such information should be forwarded.

The Whistleblower who makes a public disclosure is also protected if the person has reasonable grounds to believe that:

- 1) the breach may constitute an imminent or manifest danger to the public interest, such as where there is a risk of irreparable damage, or
- 2) in the case of external reporting, there is a risk of retaliation against the reporting person, or
- 3) in the case of external reporting, there is a low prospect of the breach being effectively addressed, due to the particular circumstances of the case, such as those where evidence may be concealed or destroyed, or where a public authority may be in collusion with the perpetrator of the breach or involved in the breach.

## DISCIPLINARY PROCEEDINGS

In the case of manifestly unfounded or bad faith reports made for the sole purpose of incriminating one or more persons or corporate functions or the Company, or in any case distressing the Company's employees, the Commission will report to the Company's Chief Executive Officer with a view to taking the necessary measures deemed most appropriate at the time against the author of the unfounded reports, not excluding – if the conditions are met – a possible complaint to the competent judicial authority.

## DATA PROTECTION AND PRIVACY

In order to ensure full traceability of the assessment activities, the supervisory authority is required to document the reports received in a record of reports, accessible only to the Committee / Supervisory Body. Reports and related documentation are stored in accordance with the regulations on the processing of personal data, in a way that guarantees their integrity and completeness.

Personal data that is clearly not useful for the processing of a specific report will not be collected and stored and, if accidentally collected, will be deleted immediately.

Personal data, if provided, will be retained for the period strictly necessary for the administration of the report and verification of its validity and, in any case, for a period not exceeding 2 years from the report, after which it will be deleted, without prejudice to possible disciplinary and/or legal proceedings against which the data may be retained for the duration of the judgement and for a further 10 years from the date of completion of the report.

Appendices:

1. Record of reports

*Dr. Ing. LUCA FABIO LUGLI*



