

WHISTLEBLOWING PROCEDURE		
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WHISTLEBLOWING PROCEDURE

Handling Reports of illegal conduct or irregularities

FRIUL INTAGLI INDUSTRIES S.P.A.

REGISTERED OFFICE IN PRATA DI PORDENONE (PN), VIA
ODERZO 68 VAT NUMBER 01586110262

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1. Foreword

For Friul Intagli S.p.A. (hereinafter “the Company”), compliance with the principles and values expressed in the Code of Ethics is the responsibility of everyone: of those who work in the Company, on behalf of the Company, of third parties.

Friul Intagli S.p.A. supports and encourages anyone wishing to report a potential inappropriate or improper conduct or an alleged violation of the principles expressed in the Code of Ethics, in the Organisational Model pursuant to (It.) Legislative Decree no. 231/2001 and in general potential violations of laws and regulations.

The purpose of this Procedure is to implement (It.) Legislative Decree of 10 March 2023 no. 24, published in the Government Gazette on 15.03.2023, transposing Directive (EU) 2019/1937 (known as Whistleblowing legislation). For anything not expressly indicated in this Procedure, the provisions of the Legislative Decree therefore remain applicable.

2. Context of reference

The European Union, with Directive 2019/1937, renewed the legislation concerning the protection of persons who report breaches of Union law, in order to create a minimum standard for the protection of whistleblowers' rights in all Member States.

Italy transposed the European Directive with Legislative Decree of 10 March 2023 no. 24 (hereinafter the “Decree”). By adopting this Policy, the company intended to comply with the aforementioned regulatory requirements, as well as with the guidelines provided in this regard by ANAC [Italian anti-Corruption Authority].

The objective pursued is to provide the whistleblower, i.e. the person who reports violations, with clear operational indications on the subject, content, recipients and means of transmission of the reports. The whistleblowing procedure guarantees the confidentiality of the whistleblower's identity from the moment of receipt and in any contact afterwards. Pursuant to Art. 5, para. 1, letter e) of the Decree, this policy therefore provides information on the channels, procedures and prerequisites for making internal and external reports.

3. Introduction to Whistleblowing

“**Whistleblowing**” is a report made by a person who, in the performance of his or her duties, becomes aware of an **offence, a risk or a dangerous situation that may cause harm to the company/entity for which he or she works, as well as to customers, colleagues, citizens, and any other category of subjects.**

The Company, which is sensitive to ethical issues and the proper conduct of its business, has implemented internal systems for reporting violations to allow anyone entitled under the law to report acts or facts that may constitute unlawful conduct or a violation of the Code of Ethics or of the Organisation, Management and Control Model pursuant to (It.) Legislative Decree no. 231/2001.

The Whistleblowing Law identifies:

- the subjects that can trigger an alert;
- the acts or facts that can be reported, as well as the requirements that the Reports must meet in order to be taken into account;
- the means by which alleged violations may be reported and the persons in charge of receiving the Reports;

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- the process of preliminary inquiry and possibly investigation when a Report is made;
- the means of guaranteeing the confidentiality and protection of the personal data of the person making the Report and of any person concerned;
- the prohibition of retaliation and the prohibition of discrimination against the Reporting Party.

4. Scope

The purpose of this document is to present the **operational procedures for the management of Reports** and of any ensuing investigations, in the event of unlawful conduct, also relevant pursuant to Decree 231/2001 and based on precise and concordant factual elements, or violations of the Company's organisation and management model, of which they have become aware by reason of the functions performed.

The scope of the procedure **does not include**:

- **reports on situations of a personal nature** concerning claims or grievances relating to relations with hierarchical superiors or colleagues, as well as relating to the performance of the Reporting Party's work;
- **reports based on mere suspicions** or rumours concerning personal facts that do not constitute an offence: this is because it is necessary both to take into account the interest of third parties who are the subject of the information contained in the Report, and to help the Company avoid carrying out internal inspections that risk being of little use and in any case costly.

5. Objectives

The purpose of this document is to **bring to light episodes of unlawfulness or irregularities within the Company**, clarifying and facilitating the Reporting by the Whistleblower and removing any factors that may hinder or discourage recourse to the institution.

The aim of the procedure is therefore, on the one hand, to provide the Reporting Party with clear operational instructions on the subject, content, recipients and means of transmission of Reports and, on the other hand, to inform him or her of the forms of protection and confidentiality that are recognised and guaranteed.

The purpose of this document is to:

- create **a corporate culture** based on **transparency and trust**;
- **remove factors** that may **hinder or discourage Reporting**;
- **provide clear operational guidance** on how to make Reports.

6. Definitions and Reference Legislation

Internal Whistleblowing Committee

Subject in charge of handling Reports. The Internal Committee is a collective body and is composed of the following roles:

- Human Resources Director
- General Manager

This committee is appointed by the Board of Directors.

External report handler

A subject who manages operational activities through access to the whistleblowing platform, in accordance with the means dictated by this Procedure, sharing the Reports and the actions to be

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taken with the Internal Whistleblowing Committee. The activity is assigned to the company Crowe Bompani SpA.

Supervisory Body or SB

Body entrusted with overseeing the operation of and compliance with the Model 231 and with updating it in accordance with the provisions of Art. 6, paragraph 1, letter b) of (It.) Legislative Decree no. 231/2001.

Report

Any communication, internal or external, received through the identified channels concerning:

- conduct in violation of internal and external rules governing the Company's activities, including the Code of Ethics and the Organisation, Management and Control Model pursuant to (It.) Legislative Decree 231/2001;
- any other unlawful and immoral conduct that may result in economic, financial and/or image damage to the Company.

The following fall within the definition of reporting:

- offences set out in (It.) Legislative Decree no. 231/2001 (see point c below);
- Violations of the Model (see point c below);
- European and national offences (see points a) and b) below (Art. 3, para. 2, letter b), second sentence, (It.) Legislative Decree no. 24/2023).

More specifically, the breaches indicated in the table above may concern: a) breaches of national or European provisions consisting of offences in the following areas: public procurement; services, products and financial markets and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and personal data and security of networks and information systems; b) breaches of European provisions consisting of (i) acts or omissions detrimental to the financial interests of the Union; (ii) acts and omissions concerning the internal market; (iii) acts and conduct that frustrate the object or purpose of the provisions of Union acts in the areas referred to above; c) unlawful conduct relevant under (It.) Legislative Decree no. 231/2001 or violations of organisational and management models.

Reporting Party (Whistleblower)

Subject making a Report.

Person Concerned

Subject to whom the violation is attributed.

Code of Ethics/Code of Conduct

Document laying down the set of principles and ethical values adopted by the Company.

(It.) Legislative Decree no. 231/2001

Italian Legislative Decree of 8 June 2001, no. 231 containing the "Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to Art. 11 of It. Law of 29 September 2000, no. 300" as amended and supplemented.

Model 231

The Organisation, Management and Control Model adopted by the company in compliance with (It.) Legislative Decree no. 231/2001.

Privacy Legislation

This means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free

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movement of such data (also "GDPR"), Convention 108 as well as any other international legislation on the protection of personal data including the measures of the Italian Data protection Authority or other foreign Data Protection Authority.

Dir. EU 2019/1937

Directive of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

(It.) Legislative Decree no. 24/2023

Italian Legislative Decree no. 24 of 10 March 2023, which is the implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, concerning "the protection of persons who report breaches of Union law" and laying down "provisions on the protection of persons who report breaches of national laws".

7. Persons involved

In line with current regulations and best practices, **the Report may be submitted** by:

- employees or former employees of the Company, even in forms that differ from the typical definition of employment, and all natural and/or legal persons who operate/have operated on the basis of employment or collaboration and commercial contractual relations with the Company;
- the members of the governing and supervisory bodies;
- third parties, including, by way of example, customers, suppliers, consultants, business partners, persons whose employment relationship has not yet started or has ended, shareholders, etc.

The Reports **may concern the following subjects**:

- employees;
- members of governing and supervisory bodies;
- third parties (e.g. customers, suppliers, consultants, collaborators, trainees, business partners).

8. Description of the procedure

a. Subject and requirements of the Report

The Whistleblower may report violations of any kind, be they a fact or an act of omission, which may constitute offences even if only potentially contrary to the Company's internal laws and regulations.

The reports may refer to violations regarding, by way of a non-limiting example, the following:

- conflicts of interest or other violations of the Code of Ethics and internal regulations;
- unlawful acquisition of confidential information and theft of tangible and/or intangible assets;
- unlawful and/or fraudulent activities that may cause damage to company assets in general;
- attempted, alleged or actual acts of bribery carried out directly, through or at the instigation of third parties (e.g. suppliers, consultants, collaborators, customers and intermediaries);
- violations of the rules protecting workers and the environment in which they work;
- any unlawful conduct, as provided for in the Company's Model 231.

b. Reporting means

In order to facilitate reporting, the following channels have been set up:

- **Online platform accessible from any device at the following link:**
<https://areariservata.mygovernance.it/#!/WB/Friul-Intagli>
- **Direct meeting with the report handler**

Online platform

This tool guarantees, through the encryption of information, the total confidentiality of the Reporting Party's identity, together with the preservation of the integrity of the data.

Written Reports, which may also be sent anonymously, will be addressed automatically through the aforementioned platform and will be handled **promptly, confidentially** and **professionally** by the person in charge of handling the reports.

The Company will take into consideration anonymous reports, where they are adequately circumstantiated¹ and made with a wealth of details, i.e. where they are such as to bring to light facts and situations relating them to specific contexts (e.g.: documentary evidence, indication of names or particular qualifications, mention of specific offices, proceedings or particular events, etc.).

It should be noted that, in the course of investigative activities, the identification data of the reporting Party may be requested, if they are considered essential for handling the report.

Reports - even non-anonymous ones - **must be circumstantiated and as complete and exhaustive as possible.**

The Whistleblower is required to provide all the available and useful elements to enable the competent bodies to carry out the due and appropriate checks and verifications to confirm the validity of the facts to which the Report refers, such as:

- a clear and complete **description of the facts that are the subject of** the Report;
- the circumstances of **time and place in which the facts** that are the subject of the Report were **committed**;
- **personal details** or other elements allowing the **identification of the person(s)** who has/have carried out the reported facts (e.g. job title, place of employment where he/she carries out the activity);
- **any documents supporting** the Report;
- mention of any other subjects that may provide information on the facts to which the Report refers;
- any other information that may provide useful feedback on the existence of the reported facts.

For a Report to be substantiated, these requirements do not necessarily have to be fulfilled at the same time, in view of the fact that the Reporting Party may not be in full possession of all the information requested.

Through the IT channel and thus through the Software, the Reporting Party will be guided through each stage of the Reporting process and he or she will be asked, in order to better substantiate the report, to fill in a series of fields that must be completed in accordance with the requirements.

It is indispensable that the elements indicated be known directly to the Reporting Party and that they nor be reported or referred to by others.

¹ A report can be considered circumstantiated if it makes it possible to identify factual elements that are reasonably sufficient to initiate an investigation (e.g.: the offence committed, the reference period and possibly the value, the causes and purpose of the offence, the company/division concerned, the persons/units involved, the irregularity in the control system).

Direct meeting

The reporting party has the option of requesting a face-to-face meeting at the following office of the External Handler:

- **Crowe Bompani SpA - Padua: Piazza Aldo Moro, 10 Torre Net 12A - 35129 - Padua**

To request a face-to-face meeting at the offices of the External Handler, the reporting party must send a request to the following e-mail addresses:

- s.rigo@crowebompani.it
- d.dellai@crowebompani.it

The meeting is guaranteed to take place within a reasonable period of time, i.e. within 10 to 15 days from the submission of the request.

The meeting, with the consent of the reporting party, may be recorded by means of devices suitable for storage and listening. In the event that registration is not possible, minutes will be drawn up, to be signed by the reporting party and the person who received the declaration. A copy of the minutes will be given to the reporting party.

9. Handling of Reports

Once the Report is received, its operational management is entrusted to the External Handler and is divided into four stages:

- registration and safekeeping;*
- preliminary inquiry;*
- investigation and communication of the outcome;*
- archival.*

a. Registration and safekeeping

The Software envisages complete and confidential registration in compliance with the relevant regulations.

For reports made through direct meetings, the External Handler is entrusted with the process of storing the documentation, guaranteeing the confidentiality of the reporting party's data, as well as that of the information reported, in accordance with Article 14 of (It.) Legislative Decree no. 24/2023.

b. Preliminary inquiry

The purpose of the preliminary inquiry is to verify the validity of the Report received.

The Report is directly forwarded to the External Handler in charge of operational activities through access to the Platform, who promptly informs and cooperates with the Internal Whistleblowing Committee to assess the contents, carrying out an initial screening and:

- if he or she immediately finds that it is **manifestly unfounded**, he or she will proceed to file the case immediately;
- where the Report **is not well-founded** he or she will request, where possible, further information from the Reporting Party. If it is not possible to gather sufficient information to substantiate the Report and initiate the investigation, the Report will be archived;
- if the Report appears to be **circumstantiated** with precise and concordant factual elements, he or she will proceed with the investigative steps.

The preliminary inquiry is carried out in accordance with the following principles:

- the necessary measures are taken to prevent the identification of the reporting party

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- and of the persons involved;
- the checks are conducted by persons with the necessary training and the activities are tracked and archived correctly;
 - all those involved in the evaluation maintain the confidentiality of the information received, unless otherwise provided for by law;
 - the checks are carried out by ensuring that appropriate measures are taken for the collection, use, disclosure and storage of personal information and by ensuring that the needs of the investigation are balanced against the need to protect privacy;
 - appropriate measures are ensured to manage possible conflicts of interest if the report concerns the recipient.

If the report is relevant for the purposes of (It.) Legislative Decree no. 231/2001, constituting a breach of the Organisational Model or of the Code of Ethics or one of the offences provided for in the decree, in any event, the Company's Supervisory Body is notified so that it can proceed with its own assessments and investigations. All other reports worthy of investigation will instead be the subject of the information flows that are periodically shared with the Supervisory Body.

Acknowledgement of receipt of the report will be issued to the reporting party **within seven days** from the date of receipt. The notice will be sent to the address indicated by the reporting party and, if not indicated, the report will be archived.

c. Investigation and communication of the outcome

Investigation is the set of activities aimed at verifying the content of the Reports received and at acquiring elements useful for the subsequent evaluation stage, guaranteeing the utmost confidentiality on the identity of the Whistleblower and on the subject of the Report.

The main purpose of the investigation is to ascertain the veracity of the information under investigation, providing a precise description of the facts established, by means of audit procedures and objective investigative techniques.

The person in charge of the investigation is the Internal Whistleblowing Committee with the support of the External Handler in charge of operational activities through access to the online Platform. It is everyone's duty to cooperate with the subject conducting the investigation during said investigation.

The Internal Whistleblowing Committee may also consider the possible involvement of an external professional.

The person in charge of the investigation prepares a final report on said investigation containing at least:

- the established facts;
- the evidence gathered;
- the causes and shortcomings that allowed the reported situation to occur.

Within **three** months from the date of the acknowledgement of receipt or, in the absence of such acknowledgement, within three months from the expiry of the seven-day time limit from the submission of the report, the subject entrusted with handling the reports shall provide feedback on the report, by communicating, alternatively:

- the report's **archival**, giving reasons for the decision,
- the **merits of the report** and the fact that it was sent to the competent internal bodies for follow-up,

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- **the activity carried out and still to be carried out** (in the case of reports involving a more time-consuming verification activity) and any measures taken (measures taken or referral to the competent authority).

If, following the analysis and verification of the Reports received, unlawful conduct on the part of a Company employee emerges, the latter shall be subject to appropriate and proportionate measures and sanctions, in accordance with the provisions of the Model 231, the National Labour Contract and other applicable rules.

Disciplinary measures are also envisaged against anyone who violates the protection measures of the Whistleblower or who takes retaliatory and/or discriminatory measures against the Whistleblower.

At the end of the analysis and verification phase of the Whistleblowing Report, the Internal Whistleblowing Committee has the task of taking action and informing the **Board of Directors** in order to implement any corrective actions that may be necessary, such as, for example:

- the possible adoption of sanctions against the Person Concerned and/or the persons found to have committed the offences and/or violations reported;
- a process of strengthening the internal control and risk management system and the Model 231;
- the possible reporting to the Judicial Authority of facts constituting offences, or the filing of civil and/or administrative actions.

d. Archival

In order to ensure the traceability, confidentiality, preservation and retrievability of data throughout the process, the documents are stored and archived in digital format, via the Software.

All documentation will be retained, subject to further legal deadlines in the cases expressly provided for, **no longer than 5 years** from the date of the communication of the final outcome of the reporting procedure.

Any processing of personal data will be carried out in accordance with Regulation (EU) 2016/679, (It.) Legislative Decree no. 196 of 30 June 2003 and Articles 13 and 14 of the Decree; furthermore, failure to comply with confidentiality obligations may result in disciplinary liability, without prejudice to any further liability provided for by law.

10. External reporting channel and public dissemination

Reporting through the external channel, set up and managed by ANAC [Italian Anti-Corruption Authority] (<https://www.anticorruzione.it/-/whistleblowing>), can only be made under certain conditions, and public disclosure under even stricter conditions, without prejudice to the possibility of reporting to the judicial authorities.

Whistleblowers may use the external channel (ANAC) when:

- the compulsory activation of the internal reporting channel is not envisaged within the work context, or this channel, even if compulsory, is not active or, even if activated, does not comply with what is required by law;
- the reporting party has already made an internal report and it was not followed up;
- the reporting party has reasonable grounds to believe that, if he or she were to make an internal report, the report would not be effectively followed up or that the report might lead to a risk of retaliation;
- the reporting party has reasonable grounds to believe that the breach may constitute an imminent or obvious danger to the public interest.

Whistleblowers may directly make a public disclosure when:

- the reporting party has previously made an internal and an external report, or has made an external report directly and no response has been received within the prescribed time limits on the measures envisaged or taken to follow up the reports;
- the reporting party has reasonable grounds to believe that the breach may constitute an imminent or obvious danger to the public interest;
- the reporting party has reasonable grounds to believe that the external report may involve a risk of retaliation or may not be effectively followed up due to the specific circumstances of the case, such as where evidence may be concealed or destroyed, or where there is a well-founded fear that the recipient of the report may be colluding with the perpetrator of the violation or involved in the perpetration of said violation.

11. Conflict of Interest situations

The procedure ensures that the handling of Reports is entrusted to persons who are not in a situation of conflict of interest.

It will be the task of the External Handler to assess the abstention of stakeholders from the preliminary analysis process in order to ensure maximum transparency and fairness of judgement.

12. Protection of the Whistleblower

The entire process must in any case guarantee the **confidentiality of the Whistleblower's identity** from the moment the Report is received and at every stage thereafter.

To this end, in compliance with the legislation in force, the Company has set up a series of mechanisms aimed at protecting the non-anonymous Whistleblower, envisaging:

- a) the protection of the confidentiality of the Reporting Party;*
- b) the prohibition of discrimination against the Reporting Party.*

a. Protecting the confidentiality of the Reporting Party

The company guarantees the confidentiality of the **reporting party's identity** and the **confidentiality** of the information contained in the Report throughout the case management process.

In the context of any disciplinary proceedings instituted against the person concerned:

- if the alleged facts are based on investigations that are separate and additional to the Report, even if consequent to the Report, the identity of the reporting party may not be disclosed;
- if the facts alleged were based in whole or in part on the Report, the identity of the Whistleblower may be disclosed to the person(s) concerned by the Report if two requirements are met simultaneously:
 - the consent of the Reporting Party;
 - a proven need on the part of the person concerned to know the name of the reporting party for the purposes of the full exercise of the right of defence.

b. The prohibition of discrimination against the Reporting Party

The **Reporting Party may not be punished, dismissed or subjected to any** direct or indirect **discriminatory measure** affecting his or her working conditions for reasons directly or indirectly linked to the Report.

Discriminatory measures include unjustified disciplinary actions, harassment in the workplace, any change of job or place of work, and any other detrimental change in working conditions that is a form of retaliation against the Whistleblower.

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A Whistleblower who believes he or she has suffered discrimination may take legal action against the perpetrator of the discrimination and also against the Company - if the Company actively participated in the discrimination. It should be borne in mind that, in such a case, the law provides for a reversal of the burden of proof, and it will therefore be the Company that will have to prove that the change in the Whistleblower's working conditions did not originate from the Report.

13. Infringement of the procedure

Failure to comply with this procedure will result in the Company's employees being subject to the Company's Disciplinary System, in line with the provisions of the applicable legislation and of the relevant collective bargaining agreements.

14. Revisions of the procedure

With the entry into force of this policy, all provisions previously adopted on this matter, in whatever form communicated, are to be considered repealed, insofar as they are incompatible or divergent, as they are replaced by this policy. The Company will provide the necessary publicity and send a copy of the policy to each employee. This policy is subject to periodic review.