WHISTLEBLOWING

Management of reports pursuant to Legislative Decree no. 24 of March 10th, 2023

INDEX

1 GENERAL

Purpose of this document

With the adoption of Legislative Decree no. 24 of March 10th, 2023 (hereinafter also referred to as the "Whistleblowing Decree"), the Directive no. 2019/1937 of the European Parliament and of the Council of October 23rd, 2019, on the protection of persons who report breaches of European Union law and laying down provisions concerning the protection of persons who report breaches of national provisions, was transposed into the Italian legal system ("Whistleblowing" Directive).

This regulatory text provides the entire discipline aimed at encouraging the submission of reports of wrongdoings and regulates the management of the related reporting channels and the protections granted to whistleblowers and other parties involved in the reporting, both in the public and private sectors.

The result is an organic and uniform regulation, aimed at a greater protection of the whistleblower, in order to be more incentivized to submit any reports of wrongdoings, within the limits and in the manner indicated in the decree.

With this document, B. Pacorini S.p.A. and Pacorini Silocaf S.r.l.:

- describe the internal reporting channel;
- give the complete regulation of the procedure relating to the submission and subsequent management of reports, in order to facilitate the emergence of any violations perpetrated and, above all, to be able to prevent unlawful conducts which, if committed, could lead to the occurrence of potential risks, first and foremost for the companies and, after that, for the collective interest;
- illustrate the available options through which file a report in a confidential manner and without fear of retaliation.
- establish the prohibition of the adoption of retaliatory acts against the person who files a report and the other subjects involved in the same.

Through this document, B. Pacorini S.p.A. and Pacorini Silocaf S.r.l. aspire:

- to raise awareness among all employees and collaborators to maintain a behaviour oriented towards maximum compliance with the law and aimed at fighting all forms of illegality;
- to consolidate its corporate culture based on transparency, integrity and trust;
- to provide the necessary safeguards so that no conduct is put in place that may in any way hinder, discourage and prevent the submission of a report.

2 WHO CAN FILE A REPORT

Reporting subjects

Reports can be submitted, through the internal reporting channel, by the following subjects:

- **Employees** of B. Pacorini S.p.A. and Pacorini Silocaf S.r.l., hired with permanent or fixed-term, part-time, intermittent, administration, apprenticeship, ancillary work or who perform occasional services for the companies, even during the trial period. This category includes all employees of the two companies, regardless of their contractual framework;
- **Self-employed workers** who work for B. Pacorini S.p.A. and Pacorini Silocaf S.r.l.. This category includes all those persons who carry out their activities for the companies according to the employment relationship referred to in Title III of Book V of the Civil Code, such as agents and/or commercial representatives;
- **Freelancers** and **consultants** who provide their services to B. Pacorini S.p.A. and Pacorini Silocaf S.r.l.;

- **Volunteers** and **trainees**, even if the relevant relationship does not provide for any remuneration;
- **Shareholders**, i.e. the natural persons who hold shares of B. Pacorini S.p.A. and Pacorini Silocaf S.r.l., who became aware of the violation due to this role;
- **Persons with representation**, **management** or **control** functions, even of mere fact. This category includes:
    I. the members of the Boards of Directors of B. Pacorini S.p.A. and Pacorini Silocaf S.r.l.;
    II. the members of the Board of Statutory Auditors of B. Pacorini S.p.A. and the Sole Auditor of Pacorini Silocaf S.r.l.;
    III. the members of the Supervisory Bodies appointed pursuant to Legislative Decree 231/2001 by B. Pacorini S.p.A. and Pacorini Silocaf S.r.l.;
- **Collaborators** of B. Pacorini S.p.A. and Pacorini Silocaf S.r.l..

The above-mentioned subjects may also submit a report prior to the establishment of their relationship with the companies (in the pre-contractual and/or selection phase), when they have become aware of the violations at that time, or even subsequently, when their collaboration relationship is to be considered terminated.

3 WHAT CAN BE REPORTED

By means of the internal reporting channel, it is possible to file a report through which is provided information on violations of national law or European Union law whose awareness arose, even casually, within the work context.

The aforementioned information subject to reporting may concern violations:

- **of national law**

These violations include, first of all, any civil, criminal, administrative and accounting offences committed within the activities of B. Pacorini S.p.A and Pacorini Silocaf S.r.l., or within their organisation. Any violations of the provisions of the Organization, Management and Control Models adopted by both companies pursuant to Legislative Decree 231/2001 are also included.

- **of European Union law**

These violations include, first of all, offences committed in violation of EU legislation indicated in Annex 1 to Legislative Decree no. 24/2023, i.e. concerning the sectors of public contracts, services, financial products and 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, privacy and personal data protection and security of network and information systems.

The following also constitute violations:

- acts or omissions that harm the financial interests of the European Union, pursuant to the provisions of its regulatory acts (Regulations, Directives, Decisions, Opinions);

- acts or omissions relating to the internal market which jeopardize the free movement of goods, persons, services and capital;

- all acts or conduct that frustrate the object or purpose of the provisions of the European Union in the sectors indicated in the previous points.

- **Irregularities and/or other conducts that do not constitute violations**

It is also possible, by submitting a report:

- to provide information relating to violations that have not yet been committed but that the person filing the report, on the basis of concrete elements (e.g. detection of irregularities and/or anomalies), considers reasonable that they may be committed (so-called well-founded suspicions);

- to provide elements concerning behaviors aimed at concealing the violation.

Exclusion of certain reports

The following cannot be reported:

- disputes, claims or requests related to a personal interest of the whistleblower that relate exclusively to their individual employment relationships (e.g. labor disputes, discrimination between colleagues, interpersonal conflicts between workers);

- reports of breaches where already compulsorily regulated by European Union acts or national acts indicated in Part II of the Annex to Legislative Decree 24/2023 (e.g. market abuse referred to in EU Regulation No. 596/2014, Directive (EU) 2013/36 of the European Parliament and of the Council which provided for the protection of whistleblowers under the prudential framework applicable to credit institutions and investment firms), or national acts that constitute the implementation of European Union acts always indicated in Part II of the annex to the Decree (e.g. Articles 52-bis and 52-ter of the Consolidated Banking Act referred to in Legislative Decree 385/1993 and 4-undecies and 4-duodecies of the Consolidated Law on financial intermediation provisions referred to in Legislative Decree 58/1998). These reports are already regulated by dedicated procedures.

- clearly unfounded news, information of public domain and information acquired on the basis of scarcely reliable rumors.

Reporting features

When filing a report, it must be ensured that it is as complete and detailed as possible, in order to allow the reports' manager to take the necessary resolutions.

In particular, the report:

- must be clear with reference to the circumstances of time and place relating to the facts covered by the same;
- must be precise with reference to the description of the fact that is the subject of the violation;
- must allow, where possible, the identification of the persons to whom the facts are attributed or at least sufficient information is provided to allow their identification.

The person making the report is allowed to attach the documentation deemed necessary to support the facts covered by the report. In any case, the right of the reports' manager to request, through the internal reporting channel, any additional elements aimed at providing greater clarity of the facts subject to the report, remains unaffected.

Anonymous reports

In any case, reports of violations made anonymously are admissible, which, if they have the characteristics referred to in this paragraph, will be treated as ordinary reports.

Responsibility

It is the responsibility of the person who files a report, even anonymously, to make it in good faith, i.e. on the basis of the belief that what is stated is true. Reports that are manifestly and/or deliberately unfounded, opportunistic and/or made for the sole purpose of damaging the reported person or persons interested in the report, will not be taken into consideration and will be subject to sanctions and/or legal proceedings before the competent Judicial Authority.

4 THE INTERNAL REPORTING CHANNEL. THE MANAGEMENT OF REPORTS AND THE TASKS OF THE REPORTS' MANAGER

Written and oral submission of the report

B. Pacorini S.p.A. and Pacorini Silocaf S.r.l. have set up an internal reporting channel and identified as the manager of the reports submitted pursuant to Legislative Decree 24/2023, both in written and oral form,

the Corporate Executive office,
established in the organizational structure of B. Pacorini S.p.A..

B. Pacorini S.p.A. and Pacorini Silocaf S.r.l. have also identified

the Supervisory Body

as the manager of the reports relating exclusively to violations of the provisions of the Organisational Model adopted by each company pursuant to Legislative Decree 231/2001. With that regard, each Supervisory Body is responsible for managing the reporting channel.

The internal reporting channel consists of a dedicated IT platform, which allows all the subjects identified in paragraph 2 above to send reports, even anonymously.

Description of the internal reporting channel

The person who intends to submit a report must access the channel, which can be reached at the www.whistleblowersoftware.com/secure/Pacorini address, where he or she will be informed in advance with reference to the processing of all personal data relating to the report.

The person submitting a report is given the opportunity to choose whether to send it **in written or oral form** through such IT platform, as well as the possibility of uploading any documentation to support it.

Following the submission of the report, the whistleblower will be provided with a password, which must be carefully kept. By means of the aforementioned password, he will subsequently be able to access the platform in order to:

- take note of any update relating to the report by the reports' manager of the same;
- communicate with the reports' manager;
- provide additional information and/or documentation relating to the facts that are the subject of the report;
- update the report.

The whistleblower and the reports' manager are notified, by e-mail, of any update relating to the report submitted.

In any case, the possibility for the person willing to submit a report by requesting a **personal meeting** with the Corporate Executive's office remains unaffected. This has to be done by e-mail request to be addressed to:

- whistleblowing@pacorini.com.

For the submission of reports relating exclusively to any violations of the Organisational Models adopted by B. Pacorini S.p.A, and Pacorini Silocaf S.r.l., it is possible to request a personal meeting with the members of the Supervisory Bodies appointed by each company by means of an e-mail request to be addressed to:

- odv.bpacorini@pacorini.com, with regard to violations of the Organizational Model adopted by B. Pacorini S.p.A.;
- odv.pacorinisilocaf@pacorini.com, with regard to violations of the Organizational Model adopted by Pacorini Silocaf S.r.l..

In the event of a request for a personal meeting by the person filing a report, the Corporate Executive office and each Supervisory Body, as part of the management of the reports for which they are respectively responsible, will draw up minutes of the meeting, which must be signed by both the reporting party and the reports' manager, who will also take care of the relevant safekeeping.

Reports' management

Once a report has been received, the reports' manager is required, through the platform:

- to issue the whistleblower with an acknowledgement of receipt of the report, within 7 days of receipt of the same;
- to maintain constant interaction with the whistleblower;
- to take action to follow up on the report received by carrying out an adequate investigation;
- to provide definitive feedback to the whistleblower, within 90 days from the date of submission of the report.

Acknowledgment of receipt of the report

The reports' manager will provide the person who makes a report with confirmation of receipt of the same within 7 (seven) days of its acquisition through the internal channel.

The managing body will inform the reporting party as soon as possible, also following a summary assessment, if the information covered by the report falls within the scope of this document.

Investigation

The reports' manager is required, first of all, to carry out an initial admissibility assessment by ascertaining the essential requirements referred to in paragraph 3 that the violation must present.

The report is inadmissible, and must therefore be dismissed by the reports' manager, when:

- is manifestly unfounded as it does not present the factual elements capable of justifying a further assessment;
- is of generic content such as not to allow the understanding of the facts, or is accompanied by inappropriate supporting documents.

Following such initial admissibility assessment of the report, the reports' manager may initiate a more in-depth investigation into the facts or conducts reported, to assess their actual existence. To that aim, the reports' manager is allowed, through the reporting channel:

- to keep a dialogue with the whistleblower, asking for clarifications, documents and any further information;
- to acquire deeds or documents from all offices, as well as to have support from them;
- to involve third parties who can provide useful information with reference to the report submitted.

All the aforementioned activities must, in any case, be carried out by adopting the appropriate precautions in order to prevent the disclosure of the identity of the whistleblower and the other persons involved in the report.

Closure of the investigation

After the investigation and the evaluation of all documentation supporting the report, the reports' manager may decide not to continue the investigation and to proceed with the closure of the report, providing adequate justification. Closure can be arranged, for example:

● if there is not enough information available to conduct a proper investigation and no further information can be obtained;

● if there are clear indications that the report is unfounded;

● if there are clear indications that the report is unfounded and has been made in bad faith with the mere intention of harming people or companies.

If, on the other hand, the reports' manager considers the report well-founded, it is required to immediately contact the Board of Directors of the company concerned, so that they can take all the relevant decisions.

Feedback

The reports' manager is required, in any case, to provide feedback to the whistleblower within the imperative term of 90 days from the submission of the report. If the preliminary investigation has not yet been concluded after this deadline, an interlocutory response is still admissible, to be provided to the Whistleblower, by means of a brief communication on the status of the investigation conducted up to that moment.

Conflict of interest in relation to a report

In the event that the persons assigned to the office of the Corporate Executive or one or more members of the Supervisory Bodies are in a situation of conflict of interest with regard to a specific report (as reported or reporting parties), the same will be managed by a specifically appointed committee.

5 THE EXTERNAL REPORTING CHANNEL

The Whistleblowing Decree identifies the National Anti-Corruption Authority (ANAC) as the entity authorised to receive external reports, subject to certain conditions.

In particular, the use of the external reporting channel set up by ANAC is allowed if:

1) the internal reporting channel is not active or, even if activated, does not comply with the provisions of Legislative Decree 24/2023;
2) the whistleblower has made an internal report which has not been followed up in accordance with paragraph 4;

3) the whistleblower has reasonable grounds to believe that, if he or she were to make an internal report, it would not be followed up effectively or that the same report could lead to the risk of retaliation;
4) the whistleblower has reasonable grounds to believe that the violation may constitute an imminent or obvious danger to the public interest.

Through the aforementioned external channel, the entities referred to in paragraph 2 may also communicate the retaliations that they consider to have been carried out by the companies.

For the submission of a report to ANAC through the external reporting channel, please refer to the provisions of the National Anti-Corruption Authority with Resolution no. 311 of 12.07.2023.

6 PROTECTION OF THE WHISTLEBLOWER AND OTHER PARTIES INVOLVED

B. Pacorini S.p.A. and Pacorini Silocaf S.r.l. ensure the confidentiality of the identity of the whistleblower and the confidentiality of the information contained in the report at all stages of its management and by all the persons involved.

B. Pacorini and Pacorini Silocaf S.r.l. undertake to protect the person who files a report in good faith and all other parties involved in the same, against any form of retaliation, discrimination or penalization for reasons connected, directly or indirectly, to the report.

Failure to comply with confidentiality obligations and the adoption of any form of retaliation against the person filing a report may result in disciplinary liability against the perpetrator of such actions.

7 RECORD KEEPING

All documentation relating to the report submitted is stored in the implemented IT reporting platform. Such documentation will be kept for the time necessary to manage the report and, in any case, for a maximum period of 5 years from the date of communication of the final response of the report.