

Procedure for the Management of Reports of Wrongdoings and the Protection of the Whistleblower (Whistleblowing)

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1. PURPOSE AND LEGAL CONTEXT

This procedure applies to Castellini Officine Meccaniche S.r.l. (“Castellini” or the “Company”) and aims to implement and regulate a system for reporting irregularities in the activities carried out by the Company. In particular, the procedure incorporates the provisions of Legislative Decree March 10, 2023, No. 24 (the “**Whistleblowing Decree**”) *“implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019, on the protection of persons who report breaches of Union law and provisions concerning the protection of persons who report breaches of national regulatory provisions”*, which governs the protection of persons who report violations of national or European Union regulations harming the public interest or the integrity of the public administration or private entity, which they have become aware of in a public or private work context.

The reporting system regulated here is also relevant for the purposes of Legislative Decree June 8, 2001, No. 231, which, with regard to internal reports, applicable sanctions, and the prohibition of retaliation in relation to the same, refers to the aforementioned Decree.

The procedure is also in accordance with the legislation on the protection of personal data and, in particular, the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016, on the protection of natural persons with regard to the processing of personal data.

In addition to the aforementioned normative measures, the procedure has been drafted taking into account the provisions of:

1. The Ethical Code of Castellini (hereinafter, 'Ethical Code'), in its version in force at the time;
2. The model of organization, management, and control adopted by Castellini in its version in force at the time.

2. DEFINITIONS

“ ANAC ”	National Anti-Corruption Authority
“ Privacy Code ”	Legislative Decree June 30, 2003, No. 196 ("Code regarding the protection of personal data") which provides for the protection of individuals and other subjects with respect to the processing of personal data
“ Decree 231 ”	Legislative Decree June 8, 2001, No. 231 and subsequent amendments and integrations
“ Whistleblowing Decree ”	Legislative Decree March 10, 2023, No. 24

“Recipient”	Refers to the Whistleblowing Manager as identified below
“Directive”	Directive (EU) 2019/1937
“GDPR”	Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016, on the protection of natural persons with regard to the processing of personal data, as well as the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
“Facilitator”	A natural person who assists the Whistleblower in the reporting process, operating within the same work context and whose assistance must be kept confidential (these are individuals who, having a qualified connection with the Whistleblower, could suffer retaliation due to such connection)
“Whistleblowing Manager”	Refers to T2 Advisory S.r.l., recipient and manager of Whistleblowing Reports, with an obligation of confidentiality on the information acquired
“Model 231”	The organizational and management model, provided for by Decree 231, adopted by the Company
“Supervisory Body”	The supervisory body established pursuant to Decree 231 and the individual members thereof
“Whistleblowing Procedure” or “Procedure”	This procedure approved by the Board of Directors on 13 December 2023
“Whistleblower/s”	Those who have the faculty to make a Whistleblowing Report under the Whistleblowing Decree and, in general, this Procedure, including employees, collaborators, shareholders, persons who exercise (even de facto) functions of administration, management, control, supervision or representation of the Company and other third parties interacting with the Company (including suppliers, consultants, intermediaries, etc.), as well as interns or workers on trial, candidates for employment relationships and former employees
“Whistleblowing Report” or “Report”	The report submitted by a Whistleblower according to the principles and rules of this Procedure

“Anonymous Whistleblowing Report” or “Anonymous Report”	Reports not containing details that allow or could allow, even indirectly, the identification of the Whistleblower
“Involved Person”	The natural or legal person mentioned in the Report as the person to whom the Violation is attributed or as a person otherwise involved in the reported Violation
“Connected Subjects”	The subjects for whom the same protections that the Whistleblowing Decree provides for the Whistleblower are applicable and who are: (i) the facilitators; (ii) persons in the same work context as the reporting person and who are linked to the same by a stable emotional or kinship relationship within the fourth degree; (iii) work colleagues of the reporting person who work in the same work context and who have a habitual and current relationship with the Whistleblower; (iv) entities owned by the reporting person or for which the same works or entities that operate in the same work context.

3. OBJECTIVE SCOPE OF APPLICATION

The violations that can be reported under the Whistleblowing Decree must involve behaviors, acts, or omissions that harm the public interest or the integrity of the public administration or the private entity (i.e., Castellini), which the Whistleblower has become aware of in the working context of Castellini, and consist of:

1. Unlawful conduct relevant under Decree 231 or violations of Model 231, which do not fall within the offenses indicated below (the **“231 Reports”**);
2. Offenses that fall within the scope of application of the acts of the European Union or national laws (as referred to in the Whistleblowing Decree) related to the following sectors:
 - a) public procurement;
 - b) services, products and financial markets and prevention of money laundering and terrorist financing;
 - c) product safety and compliance; transport safety;
 - d) environmental protection;
 - e) radioprotection and nuclear safety;
 - f) food and feed safety, animal health and welfare;
 - g) public health;
 - h) consumer protection;
 - i) privacy and personal data protection, and network and information system security;
3. Acts or omissions that harm the financial interests of the European Union, as indicated in the Whistleblowing Decree;

4. Acts or omissions related to the internal market, including violations of European Union rules on competition and state aid, and violations related to the internal market connected to acts that violate corporate tax rules or mechanisms aimed at obtaining a tax advantage that undermines the object or purpose of the applicable corporate tax law, as indicated in the Whistleblowing Decree;
5. Acts or behaviors that undermine the object or purpose of the provisions of the acts of the Union in the sectors indicated in points 2), 3) and 4).

The Procedure also considers - and therefore can be the subject of Reporting - unlawful conduct relevant under the Ethical Code of Castellini that do not fall within the offenses referred to in the Whistleblowing Decree above (the “**Ethical Code Reports**”).

Although the Ethical Code Reports do not fall within the scope of application of the Whistleblowing Decree – in order to make the internal reporting process more uniform (for all types of reports provided by Castellini's internal control system) and with a view to greater protection of the Whistleblowers – the Procedure also considers this type of report, making the appropriate distinctions where necessary. Therefore, within the Procedure, the provisions that are not considered applicable to the Ethical Code Reports are highlighted from time to time.

The cases referred to in this Paragraph are also defined below as “**Violations**”.

4. INTERNAL REPORTING CHANNEL

In accordance with the Whistleblowing Decree, the Company has activated the following internal reporting channel, which, through a specific platform adopted by Castellini, allows the electronic submission of reports in written and oral form (via voicemail) and ensures - also through encryption tools - the confidentiality of the identity of the Whistleblower, the Involved Person, and any person mentioned in the Report, as well as the content of the Report and related documentation:

castellini.openblow.it

The platform is accessible through Castellini's website, via a dedicated section

<https://www.castellini.it/company/whistleblowing/>
<https://www.castellini.it/it/azienda/whistleblowing/>

Anonymous Whistleblowing Reports are permitted.

Through the platform, the Whistleblower also has the possibility to request a direct meeting with the Whistleblowing Manager, scheduled within a reasonable timeframe.

In this regard, it is noted that the platform allows the Whistleblower to stay in touch with the Whistleblowing Manager during the management of the Anonymous Report, being able to provide

clarifications and/or documentary supplements through a messaging system that guarantees anonymity.

However, it should be taken into account that submitting an Anonymous Whistleblowing Report may make it more difficult to ascertain the reported conduct and the interactions between the Whistleblowing Manager and the Whistleblower, thus affecting the usefulness of the Report itself.

At the end of the submission of the report, the whistleblower is given a 16-digit code necessary to access their report again to check the outcome or any communications or requests for integration by the Whistleblowing Manager. The whistleblower's identifying data, the report data, its content, and any attached documents are stored within the platform and accessible exclusively by the Whistleblowing Manager.

Alternatively, it is also possible to send reports in paper form by ordinary mail to the address: Via delle Grazie n. 3, 25122 Brescia.

Normally, the report should contain the following elements:

- the identity of the person making the report;
- a clear and complete description of the facts subject to the report;
- the circumstances of time and place in which the facts were committed;
- the personal details or other elements that allow the identification of the subjects who have carried out the reported facts;
- the indication of any other subjects who may report on the facts subject to the report;
- the indication of any documents that may confirm the veracity of such facts; any other information that can provide useful verification of the existence of the reported facts

5. RECIPIENT OF THE INTERNAL REPORTING CHANNEL

The Company has identified T2 Advisory S.r.l., with its registered office in Brescia at Via delle Grazie n.3, as the Recipient and Manager of the Reports.

For any Reports involving matters in which the Whistleblowing Manager is directly implicated, the roles, competencies, and powers of the Whistleblowing Manager are transferred to the Chairman of the Board of Directors, who manages such Reports in accordance with this Procedure.

6. MANAGEMENT OF THE INTERNAL REPORT

6.1. Preliminary Verification of the Report

Upon receipt of the Report, the Whistleblowing Manager:

- a) issues an acknowledgment of receipt to the Whistleblower **within seven days** from the date of receipt;
- b) conducts a preliminary analysis of its contents, if deemed appropriate by the Manager, also with the support of specialized external consultants, in order to assess its relevance in relation to the scope of application of the Whistleblowing Decree and, in general, of the Procedure;
- c) archives the Report if it is considered inadmissible for reasons provided by the Whistleblowing Decree and this Procedure, such as:
 - 1. manifest unfoundedness due to the absence of factual elements related to the typified Violations;
 - 2. ascertained generic content of the wrongdoing report that does not allow understanding of the facts, or reporting of wrongdoings accompanied by inappropriate or irrelevant documentation that does not clarify the content of the Report;
 - 3. production of documentation only in the absence of reporting of unlawful conduct.

In such cases, the Whistleblowing Manager, in accordance with the Whistleblowing Decree and Par. 6.2. of this Procedure, must provide the Whistleblower with written reasons for the archiving;

- d) where the Report is not archived and is relevant under 231, promptly informs the Supervisory Body;
- e) takes charge of managing the Report.

As provided by art. 4 of the Whistleblowing Decree, a Report submitted to a subject other than the Whistleblowing Manager must be immediately forwarded (within seven days) to the Whistleblowing Manager, simultaneously informing the Whistleblower

6.2. Management of the Report

The management of the Report is carried out in accordance with the provisions of this Procedure. In managing the Report, the Whistleblowing Manager performs the following activities:

- a) maintains communication with the Whistleblower and – if necessary – requests additional information from them; in this regard, the platform allows the exchange of information and/or documents;
- b) diligently follows up on the received Reports;
- c) provides feedback to the Report within three months from the date of the acknowledgment of receipt of the Report or, in the absence of such acknowledgment, within three months from the expiration of the seven-day deadline from the presentation of the Report.

In relation to 231 Reports and Ethical Code Reports, the Whistleblowing Manager carries out the above activities informing the Supervisory Body. In such cases, the meetings of the Supervisory

Body also take place via the platform, in compliance with the confidentiality requirements set out in the Whistleblowing Decree and this Procedure

The Whistleblowing Manager has the power to request the support of internal functions or specialized external consultants, in compliance with the confidentiality requirements set out in the Whistleblowing Decree and this Procedure.

The Whistleblowing Manager also has the authority to request clarifications and/or supplements from the Involved Person during the management of the Report.

Furthermore, it is also possible for the Whistleblower to provide additional information in case the fact subject to the Report has continued, stopped, or even worsened.

Reports (and related documentation) are stored via the platform for the time necessary for their processing and, in any case, **no longer than five years** from the date of communication of the final outcome of the Report management process.

6.3. Internal Investigation

Activities To evaluate a Report, the Whistleblowing Manager may conduct the necessary internal investigations either directly or by appointing – while maintaining the confidentiality obligation – an internal or external subject to the Company. In relation to 231 Reports and Ethical Code Reports, the Whistleblowing Manager carries out these activities informing the members of the Supervisory Body.

The Whistleblowing Manager collects information and/or documents via the platform, which allows the creation of a *dossier* for each case, in which information and documentation related to each Report are stored.

6.4. Closure of the Report

The evidence collected during internal investigations is analyzed to understand the context of the Report, to determine whether a relevant Violation has actually occurred in accordance with this Procedure and/or the Whistleblowing Decree, and to identify disciplinary measures, suitable measures to remedy the situation that has arisen and/or to prevent a similar situation from occurring in the future.

Furthermore, if a Violation is established, the Whistleblowing Manager may:

- a) inform the disciplinary proceeding holder about the appropriateness of initiating a sanctioning procedure against the Involved Person, in compliance with the law, any applicable collective bargaining, and Model 231;
- b) evaluate – also together with other competent company functions – the appropriateness of initiating a disciplinary procedure against the Whistleblower, in case of Reports in which bad faith and/or merely defamatory intent are ascertained, also confirmed by the unfoundedness of the Report itself;

- c) agree with the Board of Statutory Auditors involved in particular Reports – concerning issues related to complaints under art. 2408 c.c. (complaints by shareholders) – any initiatives to be undertaken before closing the Report itself; d) agree together with the company function affected by the Violation, a possible action plan necessary for the removal of the identified control weaknesses, also ensuring the monitoring of its implementation.

6.5. Communication of Results and Reporting

The results of the management of the received Reports that are not archived, including the checks carried out and any disciplinary measures adopted, are summarized in a report, sent annually by the Whistleblowing Manager, to the Board of Directors of the Company.

The Manager informs the Supervisory Body about the received Reports (archived and not archived). Additionally, he/she sends a periodic report of the activities carried out every six months.

The above reporting is carried out in compliance with the confidentiality obligations set out in the Whistleblowing Decree.

7. PROTECTION MEASURES

7.1. Protection Measures for the Safeguarding of the Whistleblower

Reports must be made in good faith, without prejudice to the criminal liability of the Whistleblower in case a Report constitutes the crime of slander or defamation or other types of crime, except in cases of non-punishability as referred to in the Whistleblowing Decree mentioned in this Par. 7.1. and Par. 7.2.

The Whistleblowing Decree provides the following protection measures for the Whistleblower and Connected Subjects:

- Prohibition of retaliation for a Report;
- Support measures, consisting of information, assistance, free advice from third sector entities listed on the ANAC website regarding reporting methods and legal provisions in favor of the Whistleblower and the Involved Person;
- Protection from retaliation, which includes:
 - the possibility to report to ANAC the retaliations believed to have been suffered following a Report;
 - provision for the nullity of acts taken in violation of the prohibition of retaliation, enforceable also in court;
- Limitations of liability in case of revelation (or dissemination) of violations covered by a duty of secrecy, except in the case of classified information, professional and medical secrecy, and secrecy of judicial body deliberations, for which the relevant legislation applies, or information related to copyright protection or personal data protection, or information on violations that offend the reputation of the involved or reported person, if:

- at the time of the revelation (or dissemination) there were valid reasons to believe that it was necessary to reveal the Violation; and
- the conditions set out in the following paragraph 7.2 were met;
- Limitations of liability, unless the fact constitutes a crime, for the acquisition of information on the Violations or for access to the same;
- Sanctions (as reported in this Procedure, within Par. 10).

7.2. Conditions for the Application of Protection Measures

The above protection measures apply to the Whistleblower and Connected Subjects provided that:

1. at the time of the Report, the author of the Report had valid reason to believe that the information on the reported or denounced Violations was true and fell within the scope of application of the Whistleblowing Decree (as referred to in Par. 3 of this Procedure);
2. the Report was made in accordance with the provisions of the Whistleblowing Decree.

The protection measures also apply in the case of an Anonymous Report, if the Whistleblower is subsequently identified and has suffered retaliation.

In particular, retaliation includes the following cases, listed here as merely illustrative and not exhaustive:

- a) dismissal, suspension, or equivalent measures;
- b) change of functions;
- c) non-renewal or early termination of a fixed-term employment contract;
- d) discrimination or otherwise unfavorable treatment;
- e) early conclusion or cancellation of a contract for the supply of goods or services.

Communications of suffered retaliations, or presumed to be suffered, must be sent exclusively to ANAC. To acquire essential investigative elements for the ascertainment of retaliations, ANAC may avail itself of the collaboration of the National Labour Inspectorate, while maintaining ANAC's exclusive competence in evaluating the acquired elements and the sanctions to be imposed.

It is important, therefore, that those who have suffered retaliation do not send the communication to subjects other than ANAC to not invalidate the protections guaranteed by Legislative Decree No. 24/2023, first and foremost, confidentiality. If, by mistake, the Company is the recipient of a retaliation communication, it is obliged to guarantee the confidentiality of the identity of the person who sent it and to forward it to ANAC, simultaneously informing the person who made the communication. Those who have suffered retaliation have the right to be reinstated in their job.

This Par. 7 does not apply in cases of Ethical Code Reports, for which the provisions of the Ethical Code adopted by Castellini, in its version in force at the time, apply instead.

8. CONFIDENTIALITY OBLIGATIONS REGARDING THE IDENTITY OF THE WHISTLEBLOWER

Notwithstanding further confidentiality obligations provided by the Whistleblowing Decree, it is recalled that the identity of the Whistleblower and any other information from which their identity can be directly or indirectly inferred cannot be disclosed, without the expressed consent of the Whistleblower, to persons other than those competent to receive or follow up on the Reports expressly authorized to process such data pursuant to articles 29 and 32, paragraph 4, of the GDPR and article 2-quaterdecies of the Privacy Code.

With reference to the following specific confidentiality obligations, it is also appropriate to consider that:

- in criminal proceedings, the identity of the Whistleblower is covered by secrecy in the ways and within the limits of art. 329 c.p.p.;
- in disciplinary proceedings:
 - a) the identity of the Whistleblower cannot be revealed if the contestation of the disciplinary charge is based on findings distinct and additional to the Report, even if consequent to it;
 - b) if the disciplinary contestation is based, in whole or in part, on the Report and the knowledge of the Whistleblower's identity is indispensable for the defense of the accused, the Report will be usable for the purposes of the disciplinary procedure only in the presence of the expressed consent of the Whistleblower to the revelation of their identity. In such cases, the Whistleblower is notified through written communication of the reasons for the revelation of the confidential data.

9. DATA PROTECTION

The processing of personal data in managing the internal reporting channel and the received Reports must be carried out in accordance with the GDPR and the Privacy Code.

The Company has defined its model for receiving and managing internal Reports, identifying technical and organizational measures suitable to guarantee an adequate level of security to the specific risks arising from the processing carried out, based on a data protection impact assessment, pursuant to art. 35 of the GDPR.

The relationship with external suppliers processing personal data on behalf of the Company is regulated through a data processing agreement, pursuant to art. 28 of the GDPR which defines the duration, nature, and purpose of the processing, the type of personal data, and the categories of data subjects, the obligations and rights of the data controller, in accordance with the provisions of art. 28 of the GDPR.

Persons competent to receive or follow up on the Reports under this Procedure must be authorized to process personal data relating to the Reports pursuant to articles 29 and 32 of the GDPR and art. 2-*quaterdecies* of the Privacy Code.

Whistleblowers and Involved Persons must be provided with adequate information pursuant to articles 13 and 14 of the GDPR.

Regarding the exercise of the rights and freedoms of the data subject, in the case where the same is the Involved Person, the rights under articles 15 to 22 of the GDPR cannot be exercised (with a request to the Data Controller or with a complaint pursuant to article 77 of the GDPR) if this could result in actual and concrete prejudice to the confidentiality of the Whistleblower's identity (see article 2-*undecies* of the Privacy Code and article 23 of the GDPR) and/or to the pursuit of compliance objectives in the field of reporting wrongful conduct.

The exercise of rights by the Involved Person (including the right of access) may therefore be carried out, within the limits allowed by applicable law and following an analysis by the relevant bodies, in order to balance the need to protect the rights of individuals with the necessity of combating and preventing violations of corporate governance rules or applicable regulations.

Personal data that are manifestly not useful for the processing of a specific Report are not collected or, if collected, must be deleted immediately.

10. SANCTIONS

Anyone who engages in any of the following conduct is subject to monetary penalties (from 10,000 to 50,000 euros):

- Committing acts of retaliation against the Whistleblower or Connected Subjects in relation to Reports;
- Obstructing or attempting to obstruct the making of a Report;
- Violating the confidentiality obligations set out in the Procedure and the Whistleblowing Decree;
- Failing to establish reporting channels according to the requirements of the Whistleblowing Decree;
- Failing to adopt a procedure for making and managing reports or failure to conform to the Whistleblowing Decree;
- Failing to verify and analyze the received Reports.

For all the above-listed conduct, the disciplinary sanctions provided for by Model 231 are also applicable.

Furthermore, a disciplinary sanction is provided for the Whistleblower when (outside of specific cases provided for by the Whistleblowing Decree) it is established that: (i) even with a first instance sentence, the criminal responsibility for the crimes of defamation or slander or for the same crimes committed with the complaint to the judicial authority or (ii) civil liability, for the same title, in cases

of intent or gross negligence. In such cases, monetary sanctions of 500 to 2,500 euros by ANAC are also foreseen.

This Par. 10 does not apply in cases of Ethical Code Reports, for which the provisions of the Ethical Code adopted by Castellini, in its version in force at the time, apply instead.

11. EXTERNAL REPORTING CHANNEL

The Whistleblower may make an external report via the channel established and accessible on the ANAC website for the following violations:

1. Offenses falling within the scope of the acts of the European Union or national laws related to the following sectors: public procurement; services, products, and financial markets, and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radioprotection and nuclear safety; food and feed safety, animal health and welfare; public health; consumer protection; privacy and personal data protection, and network and information system security;
2. Acts or omissions that harm the financial interests of the European Union;
3. Acts or omissions related to the internal market, including violations of European Union rules on competition and state aid, and violations related to the internal market connected to acts that violate corporate tax rules or mechanisms aimed at obtaining a tax advantage that undermines the object or purpose of the applicable corporate tax legislation;
4. Acts or behaviors that undermine the object or purpose of the provisions of the acts of the Union in the sectors indicated in the previous numbers.

It is specified that recourse to the external reporting channel established at ANAC may occur only if:

- the internal reporting channel indicated in the Procedure is not active;
- the Whistleblower has already made a Report to the channel indicated in the Procedure, and it has not been followed up;
- the Whistleblower has valid reasons to believe that, if an internal Report is made via the channel provided for by this Procedure, it would not be followed up, or the Report may lead to the risk of retaliation;
- the Whistleblower has valid reason to believe that the Violation to be reported may constitute an imminent or clear danger to the public interest.

For the use of such external reporting channel or for recourse to public disclosure, please refer to the guidelines and the official website of ANAC.

This Par. 11 does not apply in cases of Ethical Code Reports.

12. INFORMATION AND TRAINING

Information about this Procedure is made accessible and available to everyone, prominently displayed in the workplace and also published in a dedicated section of the company website. Information about the Procedure is also made available during the hiring phase of an employee. Training on whistleblowing and, in general, on the provisions of this Procedure, is also included in the staff training plans provided by the Company in compliance matters.