



- Cembre Group -
Whistleblowing Procedure

revision dated 21 December 2023

1. Purpose and Scope	3
2. References	3
3. Record keeping, retention and updates	3
4. Reports	4
5. Follow-up	5
6. Disciplinary proceedings	9
7. Protection of Confidentiality and Personal Data	11
8. Reporting	14
9. Information Flows to the Supervisory Body and the Anti-Bribery Unit	14
10. Information and Training	15

1. PURPOSE AND SCOPE

The purpose of this document is to outline and regulate the organisational issues and operational processes relating to the reporting of any alleged unlawful conduct, non-compliance or breach with regard to applicable regulations, the law, good commercial practice or breaches of the Code of Ethics adopted by the Cembre Group (hereinafter “Cembre” or “Group”), of which employees and collaborators¹ may become aware.

Furthermore, as described hereinafter, following the implementation in the Parent Company Cembre S.p.A. of an Anti-Bribery Management System in accordance with standard UNI ISO 37001:2016, the communication channel provided for by this Procedure may also be used for the purposes of reporting incidents of bribery and breaches concerning the aforementioned Management System. It may also be used to request advice on how to handle suspected cases of bribery and to clarify the reporting procedures.

This procedure applies without prejudice to any legal obligations, in particular the the duty to report crimes to Legal Authorities, and without prejudice to the obligations relating to the processing of personal data and privacy protection provided for by the applicable legislation.

Furthermore, reports relating to health and safety in the workplace continue to be governed by the dedicated internal procedures and regulations.

This Procedure applies to all employees and collaborators of the Group.

2. REFERENCES

This Procedure refers to:

- the EU Directive 2019/1937 and the corresponding national transpositions
- The Cembre Group’s Code of Ethics
- Regulation (EU) 2016/679 on the protection of personal data
- Standard UNI ISO 37001:2016
- The Cembre Group Anti-Bribery Policy

3. RECORD KEEPING, RETENTION AND UPDATES

The subjects to which this Procedure applies - namely Whistleblowers and persons receiving whistleblowing reports - in accordance with their specific responsibilities as assigned under this Procedure, must, respectively:

¹ This Procedure shall apply to reporting persons who acquired information on breaches in the work-related Cembre Context, including: employees, self-employed as well as volunteers and paid or unpaid trainees, persons working under the supervision and direction of contractors, subcontractors and suppliers, customers, shareholders and persons belonging to the administrative, management or supervisory body, including non-executive members.

- foster and promote a culture of transparency and legality in all company environments and in the relationships with third parties and the Public Administration;
- encourage and protect the good conduct, physical wellbeing and moral integrity of employees or collaborators who report unlawful acts or misconduct of which they become aware;
- make reports in good faith and only if corroborated by accurate, coherent facts;
- seriously and carefully assess the reports received;
- ensure the confidentiality of the identity and personal data of the Whistleblower during the following-up on the report;
- avoid direct or indirect acts of retaliation or discrimination against the Whistleblower, that may have an effect on his/her working conditions, even if the report subsequently proves to be unfounded;
- refrain from making unfounded or unsubstantiated reports that are based on rumours or hearsay, or reports that do not fall within the scope of this Procedure;
- refrain from using the reporting system to resolve personal issues or for the sole purpose of harming the reported person;
- ensure the traceability of the process relating to the assessment of the report and the implementation of any consequent measures.

4. REPORTS

4.1 Purpose and scope of the report

Reports are used for:

- any alleged unlawful conduct, non-compliance or breach with regard to applicable laws and regulations, standards and good commercial practices;
- breaches of the Group Code of Ethics;
- breaches of the Group Anti-Bribery Policy and/or effective, attempted or suspected acts of bribery;
- other violations of the Anti-Bribery Management System implemented by the Parent Company pursuant to standard UNI ISO 37001:2016.

The reports may not relate to information already in the public domain or to the Whistleblower's personal complaints or grievances relating to his/her employment relationship.

The reports may relate to:

- employees, collaborators and managers of Cembre;
- members of the corporate bodies (Board of Directors, Board of Statutory Auditors, Auditing Firm, Supervisory Body where applicable)
- third parties (clients, suppliers, contractors, subcontractors, consultants, agents).

The reporting person (herein “Whistleblower”) may be Cembre employee and manager, member of corporate bodies, collaborator, consultant and third parties in general who are linked to Cembre by contractual ties, for example business partners (see footnote #1 for further details).

4.2 Characteristics of the report

The report must be submitted in good faith and based on reasonable grounds and must contain the information necessary to carry out investigations on the facts and events reported.

The report must therefore detail the facts reported, indicating the time and place they were committed, the name of the person or persons committing the facts and other persons involved, in addition to any corroborating documentation.

It is possible to submit reports anonymously, provided that the characteristics of completeness, detail and reasonable grounds set out in this sub-section are fulfilled.

4.3 Recipients and reporting channels

Cembre has made several **internal reporting** channels available, namely:

- a specific channel that enables reporting in writing, accessible via Cembre website at the internet address <https://whistleblowingcembre.openblow.it>, where the relevant company can be selected;
- oral reporting, by telephone call to #31#+390303692997 – where a recorded message can be left on the voicemail - or through a face-to-face meeting with the Whistleblowing manager, at the request of the Whistleblower, held within a reasonable timeframe at a confidential location.

After having first unsuccessfully reported through the internal reporting channel, reporting persons may report information on breaches using external reporting channels or public disclosures pursuant to Chapter III and IV of the EU Directive 2019/1937 and the corresponding national transpositions.

The Whistleblower may at any time supplement, rectify or complete the report submitted or add any further proof, including documentary evidence, by the same means through which he/she submitted the original report.

5. FOLLOW-UP

5.1 Receipt of the report

The Head of the Internal Audit unit is the person in charge of monitoring the internal reporting channels and of following up on the reports (hereinafter the “Whistleblowing manager”).

The Head of the Internal Audit unit will acknowledge the receipt of the report to the Whistleblower within 7 days of that receipt, unless the oral channel has been used without communicating any contact detail.

Oral reporting shall be documented, either by recording it on a device suitable for storing and listening or by means of a verbatim transcript. In the latter case, the Whistleblower may check, rectify or confirm the content of the transcript, which he/she shall then sign. Failure to sign the report transcript will result in the report not being admissible for follow-up.

If the report is forwarded, by mistake, to a party other than that provided for in this Procedure, and the Whistleblower intends to benefit from the protections provided for by the EU Directive 2019/1937 and the corresponding national transpositions, the actual recipient must forward it as soon as possible to the Whistleblowing manager so that it can be treated as whistleblowing report.

5.2 Preliminary check 1: scope

The Whistleblowing manager verifies that the report falls into the scope of the EU Directive 2019/1937 and the corresponding national transpositions, as explained in paragraph 4.1 above.

In the event that a report concerns a matter excluded from the scope of application, it is not handled in accordance with the provisions of this Procedure, it's excluded from the protections of the the EU Directive 2019/1937 and the corresponding national transpositions and it's dismissed, giving reasoned notice to the Whistleblower.

5.3 Preliminary check 2: admissibility

Following the preliminary check 1, the Whistleblowing manager assesses its admissibility of the report as Whistleblowing, verifying that the following information is present, clear and complete:

- the circumstances of time and place of the reported fact
- the personal details or other elements for the identification of the reported person.

The report may therefore be considered inadmissible if it is excessively generic or incomplete, such as not to allow the understanding of the facts and/or the subjects reported, or manifestly unfounded; in such cases, the Whistleblowing manager contacts the Whistleblower (if possible) to ask for further elements useful for the preliminary assessment.

At the end of such analysis, in the event that the report cannot be admitted, the Whistleblowing manager will proceed with dismissal of the report and giving reasoned notice to the Whistleblower, ensuring the traceability of the reasons supporting such assessment.

5.4 Follow up on reports

Once this preliminary verification has been completed, the Whistleblowing manager shall proceed with the next phase of analysis, informing the Chair of the Board of Directors as well as

the Supervisory Body of the relevant company (if any) and/or the Anti-Bribery Unit should the report fall within the scope of such parties (breach of behavioural standards set out in the Code of Ethic or acts of bribery or breaches of the Anti-Bribery Policy or shortcomings of the Anti-Bribery Management System).

During this phase, the Whistleblowing manager may:

- (i) interact with other business functions and staff in order to request their assistance in the form of the provision of data, documents or information necessary for the analysis itself;
- (ii) request further information or insight from the Whistleblower, recording the relative meeting in writing and preserving the minutes for the record;
- (iii) make use of external resources in order to conduct any investigations necessary;
- (iv) perform any activity deemed to be useful or necessary, including interviewing the Whistleblower and/or other parties that can attest to the facts reported, in compliance with the principles of confidentiality and impartiality of judgement, and legislation concerning the protection of personal data and the applicable collective national labour agreement;

in coordination with the Supervisory Body (if any) and the Anti-Bribery Unit, in the event that the report falls within the authority of these functions.

The reported person and any other persons mentioned in the report have the right to be heard, in order to exercise their defense, both verbally and through the acquisition of written observations.

As a general rule, the follow-up on the report should be concluded in 3 months, unless a different timeframe is required because of their severity / urgency of the reported facts.

The analysis phase will conclude with a report written by the Whistleblowing manager, which includes:

- the references of the report;
- the assessments carried out, including any subsequent contact with the Whistleblower and the respective meeting minutes, the outcomes of the same and any individuals or third parties involved in the analysis phase;
- a summary evaluation of the analysis process with the outcome and conclusion of the analysis (dismissal or validity of the report).

The follow-up phase should be operated in a secure manner that ensures that the confidentiality of the identity of the reporting person and any third party mentioned in the report is protected, and prevents access thereto by non-authorized staff members. Personal data which are manifestly not relevant for the handling of a specific report shall not be collected or, if accidentally collected, shall be deleted without undue delay.

Following the conclusion of the analysis:

- a) if the report is assessed as unfounded, the Whistleblowing manager shall proceed to dismiss it, documenting the reasons for doing so;
- b) if the report is assessed as founded and proved, the Whistleblowing manager shall inform the Chair of the Board of Directors of the outcome in order to decide what action is to be taken, as well as the Supervisory Body of the relevant company (if any) and/or the Anti-Bribery Unit should the report fall within the scope of such corporate bodies.

In particularly serious and urgent cases, the Chair of the Board of Directors shall immediately inform the Board of Directors and the Board of Statutory Auditors, if any, without waiting for the completion of the analysis phase.

The decisions taken, on the basis of the circumstances of the seriousness of the breach reported, may include one or more of the following measures:

- a) the termination of contracts, the suspension of projects or activities;
- b) the return (or the request to return) any improper benefit;
- c) the enforcement of disciplinary measures against the members of staff involved;
- d) reporting to the authorities;
- e) the adoption of measures aimed at avoiding or minimising any legal consequences of the identified breach (for example the remediation of damage, active repentance, etc.).

5.5 Feedback to the Whistleblower

In any case, the Whistleblowing manager shall provide a feedback to the Whistleblower (if traceable) within three months² from the acknowledgment of receipt on:

- dismissal of the report, giving reasoned notice
- completion of the analysis and evaluation phase on report, and its transmission to the relevant corporate body
- status of the analysis and assessment, if not yet completed; in such circumstances, a further feedback to the Whistleblower will be provided on completion.

5.6 Reports relating to corporate bodies and to conflicts of interests

- A. In the event that the report concerns the Chair of the Board of Directors / Chief Executive Officer, the latter shall be substituted by the Vice-Chair of the Board of Directors in all activities set out in sub-section 5.4 and paragraph 6.

² from the acknowledgment of receipt or, if no acknowledgement was sent to the Whistleblower, from the expiry of the seven-day period after receipt of the report.

- B. In the event that the report concerns another member of the Board of Directors, the Whistleblowing manager shall inform the Chair of the Board of Statutory Auditors, if any, or the other members of the Board of Directors on the outcome of the report, without prejudice to the involvement of the Supervisory Body of the relevant company (if any) and Anti-Bribery Unit, in accordance with their respective competences.
- C. In the event that the report concerns a member of the Supervisory Body of the relevant company (if any) or the Anti-Bribery Unit, the Whistleblowing manager will not involve such corporate body in the follow-up on the report, but will inform the Chair of the Board of Statutory Auditors, if any.
- D. In the event that the report concerns the Whistleblowing manager, the report should be addressed directly to the Chair of the Board of Directors who may decide whether to proceed with the analysis phase set out in sub-section 5.2 and 5.4 directly or to appoint another business function deemed to be most competent or to use external reporting channels, wherever applicable, without prejudice to the involvement of the Supervisory Body of the relevant company (if any) and Anti-Bribery Unit, in accordance with their respective competences.

6. DISCIPLINARY PROCEEDINGS

6.1 Disciplinary proceedings against employees

Once the report has been received from the function that has carried out the analysis of the report (as provided for in sub-section 5.2.), the Chair of the Board of Directors shall decide whether to open disciplinary proceedings against the reported persons who are deemed to be responsible for the breach or the unlawful conduct following the analysis completed and the evaluation carried out.

In the event that the Whistleblower is jointly responsible for the facts of the report, he/she must be treated favourably compared to the other persons responsible, on condition of compliance with the law and the applicable collective national labour agreement and the protections provided for under the applicable Workers' Statute.

The Chair of the Board of Directors shall also evaluate, with assistance from the Head of Human Resources, whether to open disciplinary proceedings:

- (i) against the Whistleblower who has acted with confirmed and proven gross negligence or wilful misconduct;
- (ii) against any perpetrators of retaliatory/discriminatory conduct against the Whistleblower;
- (iii) against the individuals involved in the process of evaluation and analysis of the report who have breached confidentiality obligations or have failed to consider the report received.

The disciplinary proceedings adopted will be those provided for in the applicable collective national labour agreement, imposed on the basis of the applicable Workers' Statute and in compliance with the company's disciplinary system.

In addition to any disciplinary measures, where appropriate on the basis of the infraction identified, any mandate or power of attorney conferred to the employee may also be revoked.

Under no circumstances shall disciplinary proceedings be opened merely on the basis of a report having been made. This may only occur on the basis of confirmed and proven evidence arising from the report itself.

Any retaliatory or discriminatory termination of the Whistleblower shall be null and void. Any changes to job responsibilities shall also be null and void, as will any other retaliatory or discriminatory measure taken against the Whistleblower. In the case of disputes relating to the imposition of disciplinary measures, or to demotions, terminations, transfers or the Whistleblower being subjected to other organisational measures that have a direct or indirect negative effect on his/her working conditions following the submission of the report, it is the employer's responsibility to demonstrate that such measures are founded on reasons unrelated to the report itself.

6.2 Proceedings against corporate bodies

In the event that the breach or the unlawful conduct concerns a member of a corporate body, the Board of Directors and/or the Board of Auditors as applicable, according to their respective competences, shall proceed to take the most appropriate and adequate measures in light of the seriousness of the breach and in compliance with the law and the Articles of Association of the relevant company.

In the most serious cases, the Board of Directors may propose at a Shareholder Meeting to remove a director from his/her position. In the event of breaches committed by Auditors, the Board of Directors may propose at a Shareholder Meeting that the auditor in question be removed from his/her position, in accordance with the applicable law.

In the event of breaches or unlawful conduct committed by a Director who is also an employee of Cembre, the disciplinary measures available on the basis of the employment relationship shall in any case remain unaffected.

6.3 Proceedings against third parties

In the event of breaches or unlawful conduct committed by third parties (consultants, collaborators, agents, clients, suppliers, contractors, subcontractors, etc.), Cembre may apply the termination clauses contained in the contracts/letters of appointment for breaches of the Code of Ethics and of the Anti-Bribery Policy, where applicable. The reimbursement of any improper benefit received may also be required.

6.4 Consequent and further measures

The Chair of the Board of Directors of the relevant company – or, in case of inaction, another

director - shall inform the legal authorities and/or supervisory authorities of the facts reported in the event that such facts represent a crime or a civil or administrative offence.

The Chair of the Board of Directors, in conjunction with the Head of Human Resources, shall implement any other measures that may become necessary to promote of a culture of legality and transparency within the Group; they shall also support the implementation of any amendments and integrations to this Procedure and to the control systems, on the basis of the constant monitoring of its application and the outcomes achieved.

7. PROTECTION OF CONFIDENTIALITY AND PERSONAL DATA

7.1 Confidentiality and privacy

Cembre shall ensure the confidentiality of the Whistleblower's identity and the confidentiality of the information provided in order to protect the Whistleblower from any form of retaliation or discrimination.

The identity of the Whistleblower and any other information from which his/her identity may be directly or indirectly inferred, may not be disclosed without the express consent of the Whistleblower, to persons other than those expressly authorised to receive or follow up the reports and to process such data in accordance with Articles 29 and 32(4) of Regulation (EU) 2016/679, except when disclosure of the Whistleblower's identity is required by judicial or administrative authorities or there is a specific legal obligation in this regard, for example in cases where:

- a civil or criminal offence committed by the Whistleblower emerges from the report submitted or the subsequent investigations;
- knowing the identity of the Whistleblower is necessary for following up the report or for the reported person to exercise of his/her right of defence.

The Whistleblower shall be notified of the disclosure of his/her identity by written notice, containing the reasons thereof.

Only personal data that are relevant and strictly necessary for the evaluation of the report may be processed by individuals appointed to carry out evaluations and investigations in accordance with this Procedure. These individuals must ensure that access by other business functions or third parties that may be involved in the investigation activities to information contained in the report does not imply any access to the personal data of the Whistleblower or reported person, without prejudice to the exceptions indicated previously.

The Whistleblower's personal data shall be retained for the purposes of this Procedure in accordance with Regulation (EU) 2016/679 (GDPR) and Cembre procedures in force, for the time strictly necessary for processing and in any case for a period not exceeding 5 years from the date

of communication of the final result³, except in cases where it is necessary to retain the data for a longer period, subject to adequate justification and limited to the duration of said necessity.

Cembre shall also apply the same principles and the same conditions set out in this sub-section to the personal data of the reported person, pending the internal analysis and verification process, without prejudice to any responsibilities and duties of disclosure imposed by the law or legal authorities. Similar guarantees of confidentiality are granted to any other persons involved or mentioned in the reports, until the conclusion of the proceedings.

The information concerning the processing of personal data under the Procedure is attached hereto (Appendix 1) and published on Cembre's website in the Whistleblowing section and in the Privacy section.

In any disciplinary proceedings initiated against the reported person, the identity of the Whistleblower cannot be disclosed when the disciplinary charge is based on investigations that are separate and additional to the whistleblowing report, even if consequent to it. Where the disciplinary charge is based, in whole or in part, on the report and knowledge of the Whistleblower's identity is indispensable for the accused's defence, the report can be used for the purposes of disciplinary proceedings only if the Whistleblower expressly consents to the disclosure of his/her identity.

All of the documentation relating to the reports shall be deemed confidential and as such shall only be accessible to authorised persons. In the course of the activities aimed at verifying the validity of the report, all necessary measures shall be taken to protect the data against accidental or unlawful destruction, loss and unauthorised disclosure.

7.2 Protection against retaliatory acts

In order to protect the Whistleblower, the legislation stipulates that he/she may not suffer any retaliation and provides for specific protection and liability limitation measures.

These protections are granted when the Whistleblower, at the time of the report, had reasonable grounds to believe that the information about the violations was true and fell within the objective scope of the applicable laws and regulations, even if the report ultimately turned out to be unfounded.

Moreover, reports and disclosures must be made in compliance with the discipline and procedure for using the various channels.

However, the measures to protect the Whistleblower do not apply when the criminal liability of the Whistleblower for the offences of defamation or slander, or civil liability for the same offence in cases of malice or wilful misconduct. In such cases, disciplinary action is initiated, as indicated in sub-section 6.1 above.

³ As per the opinion of the Data Protection Authority on the relevant national legislation implementing Directive (EU) 2019/1937 of the European Parliament.

Retaliation or retaliatory act is defined as a behaviour (even if only threatened) that is carried out against the reporter as a consequence of the report made and that is likely to cause the reporter an unfair damage.

Where the conditions for applying protection measures are met, retaliatory acts against the Whistleblower are prohibited, such as, by way of example but not limited to:

- dismissal, suspension or equivalent measures
- demotion or non-promotion
- (detrimental) change in duties, place of work, salary, working hours
- suspension of training or any restriction on access to training
- demerits or negative references
- adoption of disciplinary measures or other sanctions, including monetary ones
- coercion, intimidation, harassment or ostracism
- discrimination or otherwise unfavourable treatment
- failure to transform a fixed-term employment contract into an open-term employment contract, where the employee had a legitimate expectation of such transformation
- non-renewal or early termination of a fixed-term employment contract
- damage, including to a person's reputation, in particular on social media, or economic or financial damage
- Improper inclusion in lists based on formal or informal sectoral or industry agreements that may result in the person being unable to find future employment in the relevant sector or industry
- early termination or cancellation of a contract for the supply of goods or services
- cancellation of a licence or permit
- request to undergo psychiatric or medical examinations.

Retaliatory acts taken in violation of the aforementioned rules are null and void.

The Whistleblower may communicate, at his/her discretion, any retaliation suffered following the report to his/her line manager, the Human Resources department or the Chair of the Board of Directors or any public authority empowered for submitting reports to and investigating allegations of retaliation, pursuant to the EU Directive 2019/1937 and the corresponding national transpositions.

In judicial or administrative proceedings or out-of-court disputes concerning the ascertainment of retaliatory acts, it shall be presumed that they have been committed as a result of the report, public complaint or disclosure. The burden of proving that different motives existed for such acts is on the person who carried them out. Moreover, in the case of a claim for damage brought by Whistleblowers who prove that they suffered damage as a result of a report, public disclosure or complaint to the authorities, it is presumed, unless proven otherwise, that the damage is a consequence of the report.

Moreover, the Whistleblower shall not be punished if he/she discloses or disseminates information on violations covered by the obligation of secrecy, relating to the protection of copyright or the protection of personal data, or harming the reputation of the person involved or reported, when, at the time of disclosure or dissemination, there were reasonable grounds to believe that the disclosure or dissemination of the said information was necessary for disclosing the violation.

Protection from retaliatory acts cannot be guaranteed, for obvious reasons, in the case of anonymous reports.

The protections also apply to: (i) 'facilitators', i.e., the natural persons who assist a Whistleblower person in the reporting process and operate within the same working context and whose assistance must be kept confidential; (ii) other persons who are connected to the Whistleblower person and may be subjected to retaliation in a working context, such as work colleagues who have a habitual or recurrent relationship with the Whistleblower; (iii) persons in the same working context who are linked to the Whistleblower by a stable emotional or family relationship up to the fourth degree; (iv) entities owned by or for which the Whistleblower has worked as well as entities operating in the same working context.

Finally, protection also applies in the case the report is made: (a) before the start of the employment/contractual relation, if the information on breaches was acquired during the selection process or in other pre-contractual stages; (b) during the work trial period; (c) after the termination of the legal relations, if the information on breaches was acquired during the course of the relation.

8. REPORTING

Each year, the Whistleblowing manager shall prepare a report summarising the reports received that year, the analyses carried out and the outcomes of the same.

The annual report must contain as a minimum:

- an indication of all the reports received, distinguishing between those that are currently being analysed and those that have been dismissed or concluded
- the criteria and methods used to evaluate the reports received and the outcomes of the same (dismissal, opening of disciplinary proceedings, sanctions applied)
- any proposed amendments or integrations to be made to this Procedure.

The aforementioned report shall be sent to the Chair of the Board of Directors, who shall inform the Board of Directors and the Board of Statutory Auditors (if any), in addition to the ordinary information flows relating to the Anti-Bribery Management System in accordance with standard ISO 37001:2016.

9. INFORMATION FLOWS TO THE SUPERVISORY BODY AND THE ANTI-BRIBERY UNIT

The Whistleblowing manager shall promptly forward to the Supervisory Board of the relevant company, (if any) any reports concerning, even potentially, the offences referred to the Code of Ethics adopted by Cembre S.P.A.

Similarly, the Whistleblowing manager shall promptly forward the reports that relate to potential

acts of bribery or breaches of the Anti-Bribery Management System to the Anti-Bribery Unit of the Parent Company, established in accordance with Standard UNI ISO 37001:2016.

10. INFORMATION AND TRAINING

Information on this Procedure is made easily visible in the workplace and published on the Company's website and is therefore available to all potential stakeholders who become aware of the above described violations.

Information on the Procedure is also provided during the hiring process.

Training on whistleblowing, in general, and on the provisions of this Procedure, is included in the personnel training plans provided by Cembre.

* * *

Appendices:

Appendix No 1: Privacy Policy