

**FIOCCHI****WHISTLEBLOWING POLICY**

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## MATRIX OF REVISIONS

REVISION INDEX	REVISION DATE	REPORTING OF CHANGE TYPE	ISSUED BY	APPROVED BY
01	2023/07/10	Introduction of the Policy in the Integrated management system, and contextual regulatory compliance. First issue on 2021/12/17 in line with the 231 Organisation, Management and Control Model.	Internal Audit	BoD

## 1. PURPOSE

Il presente documento è reso disponibile nella intranet aziendale, nonché sul sito istituzionale di FMI. È data altresì informazione ai Destinatari mediante affissione nelle bacheche presenti in Società. La Società si impegna inoltre a svolgere attività informativa con cadenza periodica sulle modalità e sui presupposti per effettuare le Segnalazioni, nonché sulla modalità residuale di segnalazione esterna.

Fiocchi Munizioni S.p.A. (hereinafter even "FMI" or "Company"), as part of its business, intends to promote a corporate culture characterized by correct behaviours and a good system of corporate governance.

For that reason, the Company recognizes the importance to have a set of rules suited to discipline the Reporting of illegal behaviours, in accordance with the provisions of law 11/30/2017, n. 179 and Legislative Decree No. 24/2023 implementing EU Directive 2019/1937. Therefore, this instrument regulates the process of receiving, analysing and processing reports - sent or transmitted even in confidential or anonymous form - by employees, members of management and control bodies, collaborators, even occasional ones and third parties that for any reason are in relation to the Company (collectively the "Whistle-blowers").

This Policy integrates the compliance system implemented by FMI with the adoption of the Code of Ethics, the Organizational, Management and Control Model ex Legislative Decree no. 231/01 (hereinafter even "231 Model"), and defines adequate communication channels for the receipt, analysis and treatment of Reports on Unlawful Behaviour inside the Company.

Any modification and updating of the Policy are approved by FMI's Board of Directors.

This document is available on the company intranet and on the FMI's institutional website. Information is also given to the Addressees by means of posting on the notice boards present in the Company. The Company also undertakes to provide periodic information on the methods and prerequisites for making Reports, as well as on the residual method of external reporting.

## 2. APPLICABILITY

This Policy is intended for Fiocchi Munizioni S.p.A. and applies to all of Fiocchi's people, to the Whistle-blowers as well as to FMI's stakeholders. The same Policy must also be communicated to any person who provides services to FMI, including advisors and service suppliers linked to the Company on the basis of a contract.

The adoption by Subsidiaries is mandatory in all companies where this regulatory framework applies. The deviation to this policy is possible only where the local legal/regulatory framework governing the reporting of violations provides for different requirements.

The Subsidiary Company that adopts the Policy through a resolution of the Board of Directors.

## 3. DOCUMENTS USED

- Organizational, Management and Control Model ex Legislative Decree 231/01
- Code of Ethics
- Corporate Rules and Regulations
- Laws and Regulations
- PO18: Data Protection Management

## 4. REGULATORY REFERENCES

- Law No. 179, 30 November 2017 on provisions for the protection of persons who report crimes or irregularities of which they become aware in the context of a public or private employment relationship.
- Legislative Decree No. 24, 10 March 2023 implementing EU Directive 2019/1937 on the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons who report breaches of national laws.

## 5. DEFINITIONS AND ABBREVIATIONS

<b>FMI</b>	Fiocchi Munizioni S.p.A.
<b>UNLAWFUL CONDUCT AND/OR VIOLATION</b>	<p>Any action or omission, occurred performing the work activity or which has an impact on it, that causes or may cause damage or prejudice to FMI and/or to the people, that may cause serious harm to the public interest and that:</p> <ul style="list-style-type: none"> <li>• is illegal, incorrect or contrary to the principles and rules of conduct that inspire FMI, set out in the Code of Ethics;</li> <li>• violates the principles, protocols, internal rules (e.g., Code of Ethics, 231 Model) adopted by FMI;</li> <li>• constitutes relevant conduct as envisaged by Legislative Decree no. 231/01;</li> <li>• violates the provisions of national or European Union regulations</li> </ul>
<b>SUPERVISORY BODY</b>	Supervisory Body of FMI (hereinafter also "SB") referred to in Article 6 of Legislative Decree n. 231/2001
<b>FMI'S PEOPLE</b>	Personnel of the Company and all those, both individuals and legal entities, operating in Italy and abroad on behalf of FMI, each one in the contest of their own functions and responsibility (e.g., third parties not employees such as Business Partners, customers, suppliers, auditing firms, advisors, agents, distributors, subjects acting on behalf of the organization, collaborators, trainees, etc.)
<b>WHISTLEBLOWING REPORTING DOCUMENT</b>	Contains the Whistleblowing dossiers opened in the period of reference and the ones related to the Company proposed to be archived
<b>RESPONSIBLE FOR HANDLING REPORTS</b>	Internal Audit function that together with the Chairman of Supervisory Body of FMI, is in charge of managing the Whistleblowing Process
<b>WHISTLE-BLOWER</b>	Persons of FMI, Stakeholders and other third parties, witnesses of an unlawful act or irregularity referable to employees of the Company
<b>REPORTING</b>	<p>Any communication received by FMI related to the Internal Control System and having as object behaviours referable to persons of FMI, kept in violation of the Code of Ethics, laws, rules, provisions of the Authority, internal regulations, 231 Model or any criticism or matter that may cause harm or prejudice, also solely in respect of the corporate image. In particular, shall be regarded as such the communications of non-compliance with external laws and regulations, principles contained in the Code of Ethics and company procedures, unlawful act pursuant to Legislative Decree 231/01 and/or violations of the 231 Model and acts of corruption (active or passive)</p> <p>Complaints or claims related to business activity (e.g., invoicing problems or other commercial disputes) are not treated as Reports</p>
<b>ANONYMOUS REPORTING</b>	Reporting in which the identity of the Whistle-blower is not explicit, nor identifiable in a univocally manner
<b>UNLAWFUL REPORTING</b>	Reporting that after the results of the investigation phase turns out to be unfounded on the basis of objective elements, and with respect to which the concrete circumstances ascertained during the same investigation allow to consider that it was made in bad faith, with serious negligence or for a unique or prevailing purpose to harm third parties or cause prejudice to the Company
<b>STAKEHOLDER</b>	Individual or group that has an interest in any decision or activity of an organization
<b>THIRD PARTIES</b>	Any other third party not identifiable by the definition of Stakeholder and person of FMI

## 6. 5 GENERAL PRINCIPLES

The following general principles are the foundation for FMI's Whistleblowing Management Process:

- **INTERNAL CONTROL SYSTEM (ICS):** the Internal Control System is the set of rules, procedures and organizational structures aimed at allowing the identification, measurement, management and monitoring of the main risks, even by structuring adequate information flows designed to ensure the circulation of information and coordination between the various operators of the Company. That system is integrated into more general organisational structures and corporate governance arrangements, and it is inspired by reference models and by the national and international best practices. An effective ICS contributes to manage an organization in line with the corporate objectives defined by the Board of Directors, encouraging informed decisions-making and shall help ensuring to safeguard corporate assets, efficiency and effectiveness of corporate processes, reliability of information, compliance with laws and regulations and internal regulatory instruments.
- **INDEPENDENCE AND PROFESSIONALISM OF INTERNAL AUDIT ACTIVITY:** the Internal Audit function carries out its activity ensuring the necessary conditions of independence, objectivity, competence and professional diligence, established in the international standards for the professional practice of Internal Audit and in Code of Ethics issued by the Institute of Internal Auditors (IIA), as well as in the internal regulatory instruments of FMI.
- **GUARANTEE OF CONFIDENTIALITY AND ANONYMITY AND PROHIBITION OF RETALIATORY OR DISCRIMINATORY ACTS AGAINST THE WHISTLE-BLOWER:** all people of FMI who receive a Report and/or that are involved, for whatever reason, in its instruction and discussion, are required to guarantee the utmost confidentiality on the subjects and facts reported, using, for this purpose, criteria and methods of communication suitable to protect the identity and integrity of the persons mentioned in the Reports, as well as the anonymity of the Whistle-blower's identity (so-called "principle of confidentiality of the Whistle-blower"), avoiding in any case to notify the acquired data to subjects unrelated to the process of instruction and discussion of the Reports governed by this Policy. It is absolutely forbidden to take retaliatory or discriminatory measure, direct or indirect, against the Whistle-blower for reasons connected, directly or indirectly, to the Report.

For the purposes of instruction and discussion of the Report it is allowed to communicate that information to:

- the Supervisory Body;
- the following subjects/bodies:
  - a) top positions in the business areas concerned by the Report;
  - b) organizational positions of line appointed for carrying out controls on the Reports.

In cases where the knowledge is essential to understand the reported facts and/or lead the related instruction and/or discussion activities, it is allowed to communicate to:

- the Board of Statutory Auditors for Reports of their respective competence;
- the other addressees mentioned in the following paragraph 7.2.4.

In case of violations of the protective measures for the Whistle-blower, the sanctions referred to in paragraph 7 below "Disciplinary sanctions and other measures" are envisaged.

- **PROTECTION AGAINST UNLAWFUL REPORTING:** To protect image and reputation of subjects falsely reported, in case of Unlawful Reporting, FMI will guarantee the adoption of disciplinary sanctions provided in paragraph 8 even against the Whistle-blower. FMI will also notify the Unlawful Reporting content and identity of the Whistle-blower to the concerned subjects/companies, enabling them to evaluate any actions for their own protection.

## 7. OPERATING PROCEDURES

Here below are described the operational activities to manage the Whistleblowing Process.

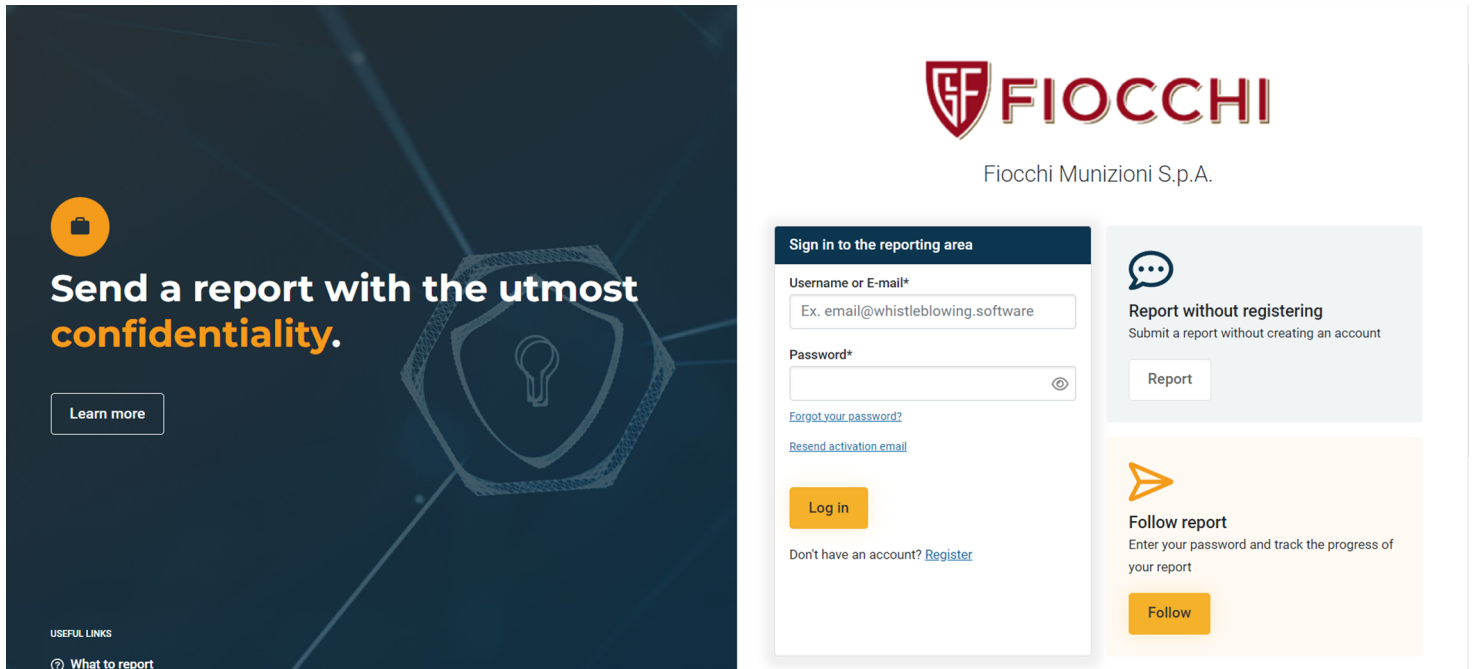
### 7.1. Receipt of the Report

To facilitate the receipt of the Reports, FMI shall establish various channels of communication as presented below:

- a) FMI, also through the adoption of specialized IT tools, shall set up suitable and effective measures in order to always guarantee the privacy of the Whistle-blower or the person transmitting useful information to identify behaviours which differ from what is required by the legislation and by the Company's ICS, except for the legal obligations and protection of the Company's rights or that of persons accused erroneously and/or in bad faith. For this reason, FMI has selected and implemented a specific IT tool for the management of the Reports in accordance with the current legislation that obligates to

manage them through the use of an IT type channel suitable to guarantee privacy and identity of the Whistle-blower in accordance with the law. The tool, whose website link is outlined below, is considered the preferred reporting channel as it is appropriate to protect privacy and identity of the Whistle-blower:

<https://fiocchi.segnalazioni.net/>



The screenshot displays the FIOCCHI whistleblowing reporting portal. On the left, a dark blue banner features the text "Send a report with the utmost confidentiality." and a "Learn more" button. On the right, the main interface includes the FIOCCHI logo and "Fiocchi Munizioni S.p.A." text. Below this, there is a "Sign in to the reporting area" section with input fields for "Username or E-mail\*" (example: email@whistleblowing.software) and "Password\*", a "Log in" button, and links for "Forgot your password?" and "Resend activation email". To the right of the login section, there are two options: "Report without registering" (Submit a report without creating an account) with a "Report" button, and "Follow report" (Enter your password and track the progress of your report) with a "Follow" button.

As an alternative channel it is envisaged:

- a) b) Sending an e-mail to the dedicated e-mail address: **segnalazioni@fiocchi.com**. The Report will be handled by the Responsible for Handling Reports and shared with FMI's Supervisory Body, if required. The report, as much as possible, will not be notified to any company member, so safeguarding the privacy of the Whistle-blower, thus encouraging the Reporting process.
- b) It is also possible for the Whistle-blower to request a face-to-face meeting with the Responsible for Handling Reports, which will be arranged within a reasonable time from the request. In such a case, the report will be documented by the Responsible for Handling Reports by means of a report that will be signed by the Whistle-blower. It will be possible to request a direct meeting via **segnalazioni@fiocchi.com**

The Reports must be detailed and based on factual elements precise and concordant, or on specific violations of which the Whistle-blower became aware thanks to the functions performed and not from hearsay or mere gossip.

The identity of the Whistle-blower and any other information from which that identity may be inferred, directly or indirectly, may not be disclosed to persons other than those competent to receive or follow up reports, without the express consent of the Whistle-blower.

Personnel receiving a Report transited outside the established channels, must send it without delay, within seven days, to the address **segnalazioni@fiocchi.com**, in original with any attachments, in compliance with the criteria of maximum confidentiality and with methods suitable for protecting the Whistle-blower and the identity and integrity of the reported persons, without prejudice to the effectiveness of the subsequent verifications.

If the Report concerns the Responsible for Handling Reports, it must be promptly brought to the attention of the Chief Executive Officer who, with the collaboration of the Supervisory Body, after the necessary checks and investigations, will report the incident at the first meeting useful for the Board of Directors of FMI for the adoption of the appropriate and necessary interventions.

If the Report concerns both the Supervisory Body as a whole or a member of the same, the Report must be promptly brought to the attention of the Chief Executive Officer who, with the collaboration of the Board of Statutory Auditors, after the necessary checks and

investigations, will report the incident to the next meeting of FMI's Board of Directors for the adoption of appropriate and necessary interventions.

## 7.2. Whistleblowing/Investigation Management

The investigation activities consist of the following steps:

1. Registration and issue of acknowledgement of receipt to the Whistle-blower
2. Assessment
3. Corrective Actions
4. Reporting

### 7.2.1. Registration and issue of acknowledgement of receipt to the Whistle-blower

All Reports will be registered with a specific identification code and recorded in the "Reporting Register" (Annex 2) in order to guarantee the traceability of the documentation also in later stages. The Responsible for Handling Reports issues the Whistle-blower with an acknowledgement of receipt of the report within seven days of its receipt.

If the Report is not relevant, the Responsible for Handling Reports will not take it into account and notice the Whistle-blower that he will not continue to search for information, within a period of three months from receipt of the Report. If the Report is made with wilful misconduct or gross negligence or is forwarded for the sole purpose of harm the reputation of others or that of the Company, FMI may adopt the disciplinary measures deemed most appropriate as better specified in paragraph 8.

### 7.2.2. Assessment

The assessment stage is based on targeted controls on Reports, which make it possible to identify, analyse and evaluate the elements to confirm the validity of the reported facts.

After receiving the report, the Responsible for Handling Reports proceeds starting the preliminary examination in order to carry out an initial assessment and consequently activate a process of ascertaining its validity, using, if it is necessary, the help of internal supporting figures and corporate Functions or external advisors identified according to the subject of the Report.

During that stage, the subjects involved in the Report may be involved as persons informed of the facts.

The Responsible for Handling Reports maintains contact with the Whistle-blower, in order to obtain additional documents and/or information.

Following this examination, the Responsible for Handling Reports prepares a preliminary report on the Whistleblowing, indicating the outcome. In particular, the report outlines:

- in case of possible validity of the Report (verifiable Reports), the motivations that suggest starting further verification activities and, if already conceivable, the circumstances that allowed the identification of the event, the possible estimate of the economic damage, an initial assessment of the identified control deficiencies;
- in case of groundlessness of the Report (Reports not verifiable), the opinion on the advisability of not proceeding with further controls.

The assessment phase can end with:

- negative outcome: in this case, the Report is stored;
- positive outcome: in this case, the outcome of the verifications conducted is sent to the company functions or to the relevant management bodies, both on the basis of the subject, the seriousness of the violation and the person identified as responsible for the violation, to allow the Company adopting the necessary countermeasures and any disciplinary sanction.

Regardless of the outcome of the assessment phase, the Responsible for Handling Reports is obliged to provide feedback to the Whistle-blower within three months of receipt of the Report.

The Responsible for Handling Reports also informs the Board of Directors, the Board of Statutory Auditors and the Supervisory Body on the status of the Reports received through a Whistleblowing Reporting document (see paragraph 7.2.4) and/or when the periodic reporting are issued.



### 7.2.3. Corrective measures

If from the previous stages emerges the necessity to promote corrective actions on the internal control's effectiveness, the management of functions in which the criticality occurred is responsible to implement the improvement actions needed to prevent the recurrence of the problem.

The Responsible for Handling Reports, as well as the Supervisory Body, within their respective competences, monitor the related implementation status.

In a further step, if deemed useful, Internal Audit, also under the guidance of the Supervisory Body or management and/or control bodies, could carry out spot audits to collect further details on the subject of the Report.

### 7.2.4. Reporting

The Responsible for Handling Reports draws up a Whistleblowing Reporting document on yearly basis which contains the results related to the activities carried out and the references to the individual reports produced.

The Reporting document includes the following minimum contents:

- number of Reports received and analysed;
- number of Reports deemed verifiable;
- number of Reports deemed unverifiable;
- number of verifiable Reports for which the related verifications has been carried out;
- for the ascertained Reports, status of the activity (in progress or completed) and, if it possible, the outcome related to.

This Reporting document is sent to:

- Board of Directors;
- Board of Statutory Auditors;
- Supervisory Body;
- any other controlling body.

## 8. DISCIPLINARY SANCTIONS AND OTHER PROVISIONS

FMI will sanction any unlawful behaviour that may emerge following the verification of Reports conducted pursuant to this document, in accordance with the Policy provisions.

Referring to the application of this instrument, if from the outcomes of the investigation stage, will emerge illegal Reports or serious breaches or illegal behaviours appear evident in confirmation of the reported facts, following the examination, the Responsible for investigating:

- with regard to employees, will send the findings of the controls to the Company Management and the Supervisory Body as it is required by the internal procedures;
- with regard to suppliers and/or third parties, will notice both the involved company departments/functions and the Supervisor Body, to evaluate any actions to be taken about the counterpart.

If the Report is made with wilful misconduct or serious negligence or is forwarded for the sole purpose of damaging other people's reputation or that of the Company, FMI may adopt the disciplinary measures deemed most appropriate and/or the sanctions provided for by the CCNL; if the Report made with wilful misconduct or serious negligence also includes the extremes of a crime, even the relative information will be transmitted to the competent Public Prosecutor's Office, without prejudice to the Company's right to acting for a compensation of damages caused by a Reports carried out maliciously or in a culpably serious way.

The actions to be taken with respect to Reports carried out maliciously or serious culpably way are deliberated by the Board of Directors.

FMI will furthermore take appropriate disciplinary measures against those who violate the protection measures of the Whistle-blower, those who adopt retaliatory or discriminatory measures against the Whistle-blower, as well as against those who make Unlawful Reports. The disciplinary measures, as envisaged both by law and the applicable collective labour agreement, shall be proportionate to the extent and seriousness of the unlawful conduct ascertained and they can even lead to the end the employment contract.

In particular, in assessing the disciplinary sanction to be adopted against those who adopt retaliatory or discriminatory measures against the Whistle-blower, account will be taken of the seriousness of these retaliation or discriminatory measures, of any possible health

damage suffered by the Whistle-blower, as well as the circumstance that said measures were adopted repeatedly or with the participation of two or more people.

No action or sanction is envisaged against those who report in good faith facts that later verifications prove they are unfounded.

## 9. DATA PROTECTION AND DOCUMENT STORAGE

The documentation related to the Reports is confidential. That documents must be stored securely and in compliance with FMI's regulations on the classification and processing of information and in compliance with the current legislation and regulation. This documentation must be stored by the Responsible for Handling Reports for as long as is necessary for the processing of the Report, and in any case no longer than five years from the date of communication of the final outcome to the Whistle-blower and must be accessible only to persons authorised from time by the same.

## A 1. Classification of reports

The classification of the report will be made by distinguishing it in:

Classification	Type	Assessment Ownership
Reports “231”	Reports related to alleged violations of 231 Model which will be immediately shared with the Supervisor Body	Supervisory Body
“Code of Ethics” Reports	Reports concerning alleged violations of the Code of Ethics which can be brought back to more specific classifications during the analysis stage	<i>Internal Audit/</i> Chairman of Supervisory Body
“Other matters” Reports	Reports concerning other matters (e.g., reports of alleged frauds against the Company, reports of non-compliant behaviours, etc.)	<i>Internal Audit/</i> Chairman of Supervisory Body
“Not to be considered” Reports	Reports: (i) manifestly unfounded (ii) containing facts and circumstances already subject to specific verifications in the past and already archived (iii) without the minimum elements to set up a verification (iv) with the purpose to damage the reported person and/or company, and whose content has in no way any implication with issues related to the 231 Model, the Code of Ethics, or other matters concerning the Company (e.g., news on the private sphere of the reported subject)	<i>Internal Audit/</i> Chairman of Supervisory Body

