

## 1. FOREWORD:

With the legislative decree of March 10, 2023 No. 24 (hereinafter also "Decree") published in the Official Gazette of March 15, 2023, the EU Directive 2019/1937 on "the protection of persons who report breaches of Union law" (so-called whistleblowing discipline) was transposed into Italian law.

The objective of the EU Directive is to establish common minimum standards aimed at ensuring a high level of protection for people who report violations of Union law, such as corruption, fraud, mismanagement and other wrongdoing that threatens public health and safety, financial integrity, human rights and the environment within the business reality.

The purpose of this Policy is therefore, to introduce within the company PHARMAPRIME S.R.L. with registered office and operational headquarters in Via Properzio 5, 00193 Rome (Rm), having P.Iva 13960611005 (hereinafter the "Company") a protocol that regulates the process of management of reports, analysis and treatment of those sent to bring to light risks and/or situations potentially prejudicial to the Company arising from a corporate wrongdoing or management irregularity, while allowing critical issues to be addressed quickly and with the necessary confidentiality. The intent, consistent with the relevant regulations, is therefore, to promote a climate of openness, transparency, integrity and social responsibility in the head of personnel within the Company, which thus confirms that it strongly believes in a corporate culture in which everyone can feel free to share concerns about alleged irregularities without having to fear retaliatory consequences of any kind, in line with the core values of PHARMAPRIME S. R.L. Not least, the purpose is thus to discourage people from committing abuses and irregularities, supporting continuous improvement in compliance and risk management, as well as strengthening on the reputational level.

The whistleblowing management procedure provides real and tangible benefits, such as the prevention and mitigation of financial losses resulting from fraud and liability, with the possible application of civil or criminal penalties.

This approved 13.12.2023 procedure therefore regulates, including through operational guidelines, the process of sending, receiving, analyzing, processing and managing reports of unlawful conduct, relevant under Legislative Decree 24/2023, as well as the forms of protection of the confidentiality of the reporter to avert and repress possible retaliation against him.

## 2. DEFINITIONS

The following are the relevant definitions in this Procedure:

- **"ANAC"**: the National Anti-Corruption Authority;
- **"work context"**: the work or professional activities, present or past, carried out within the scope of the relationships referred to in Article 3, paragraphs 3 and 4 of Legislative Decree 24/2023 by the reporting persons through which, regardless of the nature of such activities, a person acquires information about violations and

within the scope of which he or she could risk retaliation in the event of reporting or public disclosure or reporting to the judicial or accounting authorities;

- **"Public disclosure" or "public disclosure"** means making information about violations publicly available through print or electronic media or otherwise through means of dissemination capable of reaching a large number of people;
- **"Offense"**: violation of any national or European Union rules, laws and regulations, however applicable to the company, including violations of the Code of Ethics or company policies and procedures;
- **"information about violations"** means information, including well-founded suspicions, concerning violations committed or which, based on concrete evidence, could be committed in the organization with which the reporting person or the person making the report to the judicial or accounting authorities has a legal relationship, as well as elements concerning conduct aimed at concealing such violations;
- **"facilitator"**: an individual who assists a reporting person in the reporting process, operating within the same work context and whose assistance must be kept confidential;
- **"person involved"** means the natural or legal person mentioned in the internal or external report or public disclosure as the person to whom the violation is attributed or as a person otherwise implicated in the reported or publicly disclosed violation;
- **"Whistleblower"** (hereinafter also referred to as "whistleblower" or, in plural, "whistleblowers"): the natural person who makes the report or public disclosure of information about violations acquired in the context of his or her work context
- **"Retaliation"** means any conduct, act, or omission, even if only attempted or threatened, engaged in by reason of the report, report to the judicial or accounting authority, or public disclosure, and which causes or may cause the reporting person or the person who made the report, directly or indirectly, unjust harm;
- **"whistleblowing" or "reporting"** means the written or oral communication of violations;
- **"Internal reporting"**: the written or oral communication of information about violations, submitted through the internal reporting channel, complying with the provisions of Legislative Decree 24/2023;
- **"External reporting"** means the written or oral communication of information on violations, submitted through the external reporting channel, complying with the provisions of Legislative Decree 24/2023;
- **"violations"**: behaviors, acts or omissions that harm the public interest or integrity of the private entity 6. acts or behaviors that frustrate the object or purpose of the provisions set forth in the acts of the Union in the areas indicated in numbers 3), 4) and 5);

### 3. REFERENCE LEGISLATION

The matter is regulated by the following regulatory sources:

- **Legislative Decree 231/01**, in particular Article 6, paragraph 2-bis thereof (as amended by Legislative Decree 24/2023), according to which "The models referred to in paragraph 1, letter a) [of Legislative Decree 231/01, ed.], provide, pursuant to the legislative decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019, the internal reporting channels, the prohibition of retaliation and the disciplinary system, adopted pursuant to paragraph 2, letter e)."

- **Legislative Decree No. 24 of March 10, 2023**, implementing 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 laying down provisions regarding the protection of persons who report breaches of national laws;
- **"Guidelines on the Protection of Persons Reporting Violations of Union Law and Protection of Persons Reporting Violations of National Regulatory Provisions - Procedures for the Submission and Management of External Reports,"** approved by Resolution No. 311 of July 12, 2023.

As for the Company's internal regulations, they refer to:

- **Code of Ethics**
- **Organization, Management and Control Model approved and adopted by the Board of Directors pursuant to Article 6 of Legislative Decree 231/01** (hereinafter also referred to as the "Model"), including the Code of Ethics and the Sanctions System

#### 4. SUBJECTIVE SCOPE

The whistleblowing management procedure should invite and encourage "whistleblowing" from anyone who acquires in the context of their work activity information about wrongdoing committed by or on behalf of the organization.

The following categories of individuals, whether their relationship with the organization is current or terminated, are potentially eligible under the regulations to have misconduct highlighted:

- employees (full-time or part-time, permanent or temporary), including public officials;
- self-employed workers;
- shareholders and persons belonging to the administrative, management or supervisory body;
- volunteers and paid and unpaid interns;
- persons working under the supervision and direction of contractors, subcontractors and suppliers;
- persons who acquired information during the hiring process or other pre-contract negotiations, such as candidates or bidders;

Reports may also be made:

1. when the legal relationship has not yet begun, if information on violations was acquired during the selection process or other pre-contractual stages;
2. during the probationary period;
3. after the termination of the legal relationship if information on violations was acquired during the course of the relationship.

Important novelty of Legislative Decree No. 24/2023 concerns the extension of protection also to those individuals, other than the whistleblower, who could be subject to retaliation, even indirectly, because of their role in the process of reporting (internal or external), public disclosure or whistleblowing or by virtue of the relationship that makes them close to the whistleblower.

In particular, the reference is to facilitators, i.e., those who assist the whistleblower in the reporting process and who work in the same work context and whose assistance must be kept confidential; to persons in the same work context as the person who made the report, whistleblowing, or public disclosure and who are related by a stable emotional or kinship relationship within the fourth degree to co-workers who work in the same work environment as the person who made the report, complaint or public disclosure and who have a usual and current relationship with him or her; to entities owned by or for which the person who made the report, complaint or public disclosure works, as well as entities operating in the same work environment as the person who made the report, complaint or public disclosure.

## 5. TYPES OF WRONGDOING COVERED

Procedures should invite the reporting of any alleged wrongdoing committed in, by, or for the organization. Malfeasance should be understood as any illegal, abusive, or harmful act or omission. This includes, but is not limited to:

- - corruption in all its forms (including bribery and money laundering)
- - crimes or violations of legal obligations (domestic and international)
- - dangers to public health and safety at work
- - dangers to the environment
- - violation of human rights
- - child exploitation or abuse
- - sexual harassment, bullying and discrimination
- - animal abuse, neglect or cruelty
- - miscarriage of justice
- - abuse of power
- - insider trading, tax evasion, or violations of competition or the international commercial marketplace
- - unauthorized use of funds, property or resources
- - waste or mismanagement
- - conflicts of interest
- - false accounting statements

## 6. PROCEDURES FOR WHISTLEBLOWING: Internal reporting channels.

The whistleblower has at his or her disposal three different internal reporting channels chosen by the Company, such as:

NAME COMPANY, in order to pursue its stated objectives, has established two internal reporting channels that can be used by recipients in an alternative manner.

CHANNEL 1: Written reporting channel: "DIGIMOG" platform

The Company has set up an IT channel accessible from any browser (including mobile devices) that allows reports to be submitted in writing and is available at the following link: <https://whistleblowing.itadvice.it>

The Reporting platform, equipped with technical security measures adequate to the standards of Article 32 GDPR, resides on a server - located in the European Union - of a third party and provides a guided path for the reporter to enter the information necessary for the reconstruction and evaluation of the facts and the use of encryption measures, which ensure the confidentiality not only of the reporter, but also of the facilitator, the person;

This channel ensures the confidentiality of the identity of the reporting person, the so-called "facilitator," i.e., the person possibly involved and the person mentioned in the report, as well as the content of the report itself and related documentation.

## **7. THE CONTENT OF THE REPORT**

The content of reports may not concern mere suspicions or news merely reported by third parties or otherwise that we do not have unambiguous factual elements or documents to support them. However, it is not necessary for the reporting person to be certain of the actual occurrence of the reported facts and the author of them, it being sufficient that, based on his own knowledge and in good faith, or on the basis of a reasonable belief based on factual and circumstantial elements, he considers it highly probable.

In order to be considered valid, reports must have as essential elements:

- a precise description of the subject matter of the report, with an indication of the circumstances of time and place in which the facts were committed/omitted;
- elements that allow, where possible, a clear identification of the reported person believed to be the alleged perpetrator of the illegal conduct and/or violation of the Model;

The reporting person must disclose his/her personal details and may indicate the following additional elements:

1. any other persons who may report on the facts that are the subject of the report and to whom the protections provided by this procedure in case of retaliation must be granted accordingly;
2. any documents that may confirm the substantiation of such facts;
3. any other information that may facilitate the gathering of evidence on what was reported.
4. That you wish to remain anonymous

Any documentation useful to better substantiate the facts reported may be attached to the report.

## **8. WHISTLEBLOWING MANAGEMENT**

An internal whistleblowing report submitted to a person other than the person designated as Whistleblowing Manager shall be forwarded within seven days of its receipt to the appropriate person, simultaneously giving notice of the transmission to the reporting person.

As soon as the Whistleblower Manager has received notice of the report, he/she is required to:

- (a) issue the reporting person with an acknowledgement of receipt of the report within seven days from the date of receipt;
- (b) keep conversations with the reporting person private and may request additions from the reporting person (if necessary);
- (c) follow up on the reports received by conducting the necessary investigations;
- (d) provide acknowledgement of the report within three months from the date of the acknowledgement of receipt or, in the absence of such an acknowledgement, within three months from the expiration of the seven-day period from the submission of the report;
- e) to inform the Chairman of the Supervisory Board (IF PRESENT) if the report concerns violations of the Organizational Model or an offense among those covered by the Decree, or if the report has a subject relevant to information flows to the SB .
- f) undertake to treat the information obtained as confidential and to keep the data of the reporter, if explicitly requested, anonymous.

In any case, the Transparency Officer, upon receipt of a report, regardless of the channel used, shall promptly compile the report register in which the following are recorded:

- a. the progressive identification number that allows its unique identification;
- b. the date of receipt;
- c. the receiving channel used;
- d. the classification of the report, based on the preliminary assessment of its content (Relevant, Deficient, Not Relevant);
- e. findings that emerged and conclusions.

The Transparency Officer must ask the Reporting Person for further information in order to initiate the investigation of the reported facts, reclassifying the Report as Relevant if the documentation is supplemented. Failure on the part of the Reporting Person to send what has been requested does not entail the automatic dismissal of the report, the Transparency Officer being required to assess any reasons underlying the refusal, if indicated, as well as to verify the possibility of obtaining the necessary information through the use of other channels.

The Manager may qualify the report as:

- a. Non-Relevant: if it does not pertain to the scope of application of the whistleblowing regulations because it refers to reported persons not having relations with the Company, or to facts, actions or behaviors that do not concern illegal conduct described above. In this case, the Manager will report to the Board of Directors - or in its absence - to the SB with an annual report, containing aggregate information on the findings of the activity carried out as a result of the reports received and found to be unconfirmed.
- b. Relevant: for reports classified as relevant, the Transparency Officer carries out the appropriate internal investigations to verify the validity of the facts reported. If it deems it necessary, the Manager may make use of external consultants, who are bound by the obligation of confidentiality regarding the facts of which they become aware in the performance of the consulting activity and the identity of the persons involved.
- c. Well-founded: if the report is found to be well-founded, the Transparency Officer is required to promptly and formally challenge the reported violations to the reported person, who may, within thirty days of receipt of the challenge, ask to be heard or submit written comments and documents.

At the end of the investigations, the Transparency Officer prepares a special report for the Board of Directors in which the context, the regulatory and procedural framework of reference, the verification activities carried out, the

related results that emerged, the documents and/or other evidence of the unlawful conduct or violation committed, and the possible proposal for a sanction is formalized.

In the case of prohibited reports, made with malice or gross negligence, which prove to be manifestly unfounded, the Transparency Officer shall notify the Director General of this circumstance in order to initiate disciplinary proceedings against the reporting person. In such a case, the Transparency Officer shall notify the Reporting Person in order to enable him/her to exercise his/her rights of defense. For all cases in which a procedure for the imposition of sanctions is initiated, the provisions contained in the Code of Ethics are applied.

Reports, both internal and external, and related documentation are kept for the time necessary for the processing of the report and in any case no longer than five years from the date of the communication of the final outcome of the reporting procedure, in compliance with confidentiality obligations. Reports submitted through the use of the telephone line, subject to the consent of the reporting person, shall be recorded and stored on electronic media suitable for ensuring confidentiality. Telephone reports for which consent to recording has not been provided shall be documented in writing by means of a detailed account of the conversation by the appropriate personnel. The reporting person may verify, correct and confirm the contents of the transcript. When the report is made orally in the course of a meeting with relevant personnel, it shall, with the consent of the reporting person, be documented by recording on a device suitable for storage and listening or by minutes. In case of minutes, the reporting person may verify, correct and confirm the minutes of the meeting. Without prejudice to what is already provided for, the documentation shall be preserved by implementing appropriate technical and organizational measures to prevent their accidental loss, destruction or damage in compliance with the principles of integrity and confidentiality referred to in Article 5 of Regulation (EU) 2016/679.

## **9. EXTERNAL REPORTING:**

For the purposes of this Procedure, public disclosure means making information about violations publicly available through print or electronic media or otherwise through means of dissemination capable of reaching a large number of people. A reporting person who makes a public disclosure shall benefit from the protection provided by this Procedure if, at the time of the public disclosure, one of the following conditions is met

- (a) the reporting person has previously made an internal and external report, or has made an external report directly, under the conditions and in the manner provided for in this Procedure, and there has been no response within the prescribed time limit regarding the measures planned or taken to follow up the reports;
- (b) the reporting person has reasonable grounds to believe that the violation may constitute an imminent or obvious danger to the public interest;
- (c) the reporting person has well-founded reasons to believe that the external report may involve the risk of retaliation or may not be effectively followed up due to the specific circumstances of the concrete case, such as those where evidence may be concealed or destroyed or where there is well-founded fear that the person who received the report may be colluding with the perpetrator or involved in the violation.

## **10. PROTECTION OF THE REPORTER FROM RETALIATORY ACTS :**

In the context of any criminal proceedings that originate as a result of the report, the identity of the reporting person is covered by secrecy .

In the context of any disciplinary proceedings that originate as a result of the report, the identity of the reporting person may not be disclosed, where the allegation of the disciplinary charge is based on investigations separate and additional to the report. If the charge is based, in whole or in part, on the report and knowledge of the identity

of the reporting person is indispensable for the defense of the accused, the report will be usable for the purposes of disciplinary proceedings only if the reporting person expressly consents to the disclosure of his or her identity. In this case, notice shall be given to the reporting person by written communication of the reasons for the disclosure of confidential data, as well as in internal and external reporting procedures when the disclosure of the identity of the reporting person and information is also indispensable for the defense of the person involved.

Legislative Decree 24/23 stipulates that the protection to the confidentiality of the reporter is also extended to the persons named in the report as well as to the person reported; the company and the "function in charge" therefore implement and guarantee these protections in handling the report, recalling and applying the specific provisions stipulated in the decree.

In all cases where the whistleblower has made the report in good faith, regardless of the outcome of the report, having well-founded reason to believe that the information about the reported, publicly disclosed or reported violations was true and fell within the objective scope of the relevant paragraph, the following protection obligations apply:

- a) People who have chosen to report cannot suffer any retaliation;
- b) In the context of judicial or administrative proceedings or in any case extrajudicial disputes concerning the verification of conduct, it is presumed that the same was carried out due to the reporting, public disclosure or complaint to the judicial or accounting authority. The burden of proving that such conduct or acts are motivated by reasons unrelated to reporting, public disclosure or denunciation is borne by the person who carried them out.
- c) In the event of a request for compensation presented to the judicial authority by the reporting persons, if such persons demonstrate that they have made, pursuant to this decree, a report, a public disclosure or a complaint to the judicial or accounting authority and that they have suffered a damage, it is presumed, unless proven otherwise, that the damage is a consequence of such reporting, public disclosure or complaint to the judicial or accounting authority.

Below are examples which, if implemented due to the reporting of the complaint to the judicial or accounting authority or public disclosure and if capable of causing damage to the reporting person or to the person who filed the complaint, directly or indirectly, unfair, may constitute retaliation:

- a) dismissal, suspension or equivalent measures;
- b) demotion or failure to promote;
- c) change of functions, change of place of work, reduction of salary, modification of working hours;
- d) the suspension of training or any restriction of access to it;
- e) negative merit notes or negative references;
- f) the adoption of disciplinary measures or other sanctions, including pecuniary ones;
- g) coercion, intimidation, harassment or ostracism;
- h) discrimination or otherwise unfavorable treatment;
- i) failure to convert a fixed-term employment contract into a permanent employment contract, where the worker had a legitimate expectation of such conversion;
- l) failure to renew or early termination of a fixed-term employment contract;
- m) damage, including to the person's reputation, in particular on social media, or economic or financial prejudice, including loss of economic opportunities and loss of income;
- (n) improper listing on the basis of a formal or informal sectoral or industry agreement, which may result in the person being unable to find employment in the sector or industry in the future;
- o) the early termination or cancellation of the contract for the supply of goods or services;
- p) the cancellation of a license or permit;
- q) the request to undergo psychiatric or medical tests.



Entities and people who have suffered retaliatory conduct can communicate to ANAC the retaliation they believe they have suffered. In the event of retaliation committed in the work context of a private sector individual, the ANAC informs the National Labor Inspectorate, for the measures within its competence.

Acts undertaken in violation of the prohibition on retaliatory acts are void. The people referred to in par. 5 who have been fired due to the report, public disclosure or complaint to the judicial or accounting authority have the right to be reinstated in the workplace, based on the specific regulations applicable to the worker.

The judicial authority adopts all measures, even temporary, necessary to ensure protection of the subjective legal situation involved, including compensation for damage, reinstatement in the workplace, the order to cease the conduct and the declaration of nullity of the acts adopted in violation of the same article.

The protections provided for the whistleblower are further extended by Legislative Decree 24/23 in favor of the following additional categories: the facilitator, people from the same working context, work colleagues with a habitual and current relationship with the whistleblower, the property of the person reporting or for whom the person reporting works and the entities that operate in the same working context as these subjects. For the application conditions of these protections and for greater detail regarding the correct classification of these categories, please refer to the specific regulations referred to in Legislative Decree 24/23.

In any case, the whistleblower is aware of the responsibilities and civil and criminal consequences envisaged in the event of false declarations and/or the formation or use of false documents. In case of abuse or falsity of the report, any liability of the reporter for slander, defamation, false ideology, moral damage or other civil or criminal damage remains unaffected. If, following internal checks, the report turns out to be unfounded, investigations will be carried out on the existence of serious culpability or malice regarding the undue report and, consequently, if so, disciplinary actions will be taken, after consulting the Human Resources manager, also in accordance with the provisions of the sanctioning system adopted pursuant to the Model and the Legislative Decree. 231/01 and/or criminal complaints against the whistleblower, unless the latter produces further elements to support their report.

## 11. DATA PROCESSING:

By express provision of Legislative Decree 24/23, the processing of all personal data, including communication between the competent authorities provided for by the aforementioned decree, must be carried out in accordance with the provisions of the art. 13 Legislative Decree 24/23 to which reference is made. Furthermore, the reference to the "Functions in charge" is to the so-called. authorized to process personal data by the company, who will be recipients and therefore are recipients of specific training on the subject.

The company provides clear information on the reporting channel, on the procedures and on the conditions for making internal reports, as well as on the channel, on the procedures and on the conditions for making external reports. The aforementioned information is displayed and made easily visible in the workplace, as well as accessible to people who, despite not frequenting the workplace, maintain a legal relationship. The same information is also published on the company website.

Furthermore, within this information, the company will provide clear indication that the reports must specify that you want to keep your identity confidential and benefit from the protections provided in the event of any retaliation.

## 12. CLOSURE RULE:

For anything not expressly regulated in this Policy, please refer to the specific regulations referred to in Legislative Decree 24/23 and the rules referred to therein; both the functions responsible for receiving and

managing the report and any other corporate function and representative who comes into contact with the reporting channel regulated by this Policy must fully comply with this regulation.

### **13. CORRECTIVE ACTIONS:**

If the need to formulate recommendations aimed at adopting appropriate remedial actions emerges from the analyzes of the areas and company processes examined, it is the responsibility of the management of the areas/processes subject to verification to define a corrective action plan for the removal of the critical issues identified and to guarantee its implementation within the defined timescales, communicating this to the Audit Function which monitors the implementation status of the actions. The relevant Supervisory Body - if present - monitors the progress of the corrective actions through the information periodically provided by the Audit Function.

### **14. PERIODIC REPORT:**

In compliance with the provisions of the regulations on the processing of personal data, the Manager of the internal reporting systems draws up an annual report by 10 December of each year on the correct functioning of the internal reporting systems containing aggregate information on the results of the activity carried out in following the reports received. The report will be sent to the Supervisory Body and made available to the Property staff.

### **15. INFORMATION AND TRAINING:**

The Procedure is published on the Company's website at the link [www.pharmaprime.it](http://www.pharmaprime.it)

Any information initiatives are identified to bring this Procedure to the attention of possible Whistleblowers (for example, shareholders, collaborators, suppliers, customers).

The Company, upon issuing the Procedure and periodically, organizes training courses on this Procedure also through controlled transmission of slides dedicated to the procedure in question.