

KOSPEL SP. Z O.O. WHISTLEBLOWING AND FOLLOW-UP PROCEDURE

The purpose of this Procedure is to:

- Create a comprehensive framework for reporting breaches and protection of the reporting persons;
- Protect persons reporting cases of irregularities;
- Protect Kospel Sp. z o.o. by early detection and rectification of reported breaches of the law.

The Procedure:

- Allows for open, confidential, or anonymous reporting;
- Guarantees reliable, objective and timely processing of reports;
- Ensures the protection of the reporting persons and their associates;
- Each and every person performing work at Kospel is required to familiarise themselves with the Procedure; a new person who is to perform work at the Entity is required to familiarise themselves with the Procedure before being allowed to work.

§ 1

1. A breach of law is an act or omission that is unlawful or intended to circumvent the law. Possible reported breaches of law may refer to the following fields:
 - a. Corruption;
 - b. Public procurement;
 - c. Services, products and financial markets;
 - d. Anti-money laundering and counter-terrorist financing;
 - e. Product safety and compliance;
 - f. Transport safety;
 - g. Environment protection;
 - h. Radiological protection and nuclear safety;
 - i. Food and feed safety;
 - j. Animal health and welfare;
 - k. Public health;
 - l. Consumer protection;
 - m. Privacy and data protection;
 - n. Network and ICT security;
 - o. Financial interests of the State Treasury of the Republic of Poland, of the local government unit and of the European Union;
 - p. Internal market of the European Union, including competition law and state aid rules and corporate taxation;
 - q. Constitutional freedoms and human and civil rights - within the relationship of the individual and the public authorities in the areas other than indicated above;
2. Information on breach of law is any information, including reasonable grounds to believe, in relation to an actual or potential breach of law that has occurred or is likely to occur within the organisation where the reporting persons works or has worked, or within another organisation with which the reporting person has or has had contact in a work-related context, or in relation to an attempt to conceal such a breach of law.
3. It is hereby acknowledged that information on harassment, discrimination and unequal treatment in employment may also be the subject of the internal reports referred to in this Procedure.

§ 2

1. The Management Board of the Company shall provide a process of implementation of this Procedure, including the resources necessary to carry out the tasks arising from this Procedure by:
 - a. Personal involvement in the development of a whistleblower scheme designed to prevent irregularities, including corruption;
 - b. Promoting an organisational culture based on the prevention of any irregularities;
 - c. Establishing and allocating responsibilities among the Company's employees in such a way as to ensure the effectiveness of the whistleblower scheme;
 - d. Monitoring compliance with established rules of conduct through subordinate staff.
2. The function of the Company's Whistleblowing Officer (hereinafter: Company Officer) is hereby established with the aim of dealing with the whistleblowing proceedings on an ongoing basis and ensuring the smooth operation of the whistleblower scheme, in particular by:
 - a. Receiving reports/signals;
 - b. Keeping a record of reports/signals;
 - c. Undertaking follow-up action, including verification of the internal reports and further communication with the whistleblower, including requesting additional information and providing feedback to the whistleblower;
 - d. Ensuring that each report is dealt with, i.e. carrying out investigations and, where appropriate, appointing an ad hoc team to deal with a particular report, which will be composed in such a way as to ensure the report to be comprehensively addressed. The team should consist of 3 to 5 members, appointed from among the Company's employees, guaranteeing an impartial examination of the case. Once appointed, the team members shall appoint a chairperson to head the work of the team;
 - e. Complying with the obligation to duly inform the reporting person, in particular by providing a response;
 - f. Ensuring the confidentiality of the reporting person;
 - g. Ensuring impartiality in the conduct of investigations;
 - h. Running information campaigns among the Company's employees aimed at reinforcing positive perceptions of reporting/signalling activities.
3. The Company Officer shall be authorised in writing by the Company's Management Board.
4. The Company Officer is obliged to maintain confidentiality with regard to their function and, in particular, to keep the reporting person's personal data separate from other documents in a cabinet to which they shall have exclusive access and, and in the case of documents in the form of computer files, on a separate medium stored in a designated cabinet.
5. The identity of the Whistleblower, as well as all personally identifiable information, shall not be disclosed to the subjects of the report, to third parties or to other employees and associates of the reported subjects. The identity of the Whistleblower, as well as other information enabling the Whistleblower to be identified, may only be disclosed if such disclosure is a necessitated and proportionate obligation under generally applicable provisions of law in the context of investigations conducted by national authorities. The identity of the subjects of the report shall be under confidentiality requirements to the same extent as the identity of the Whistleblower.
6. The heads of the Company's various organisational units shall cooperate with the Company Officer with regard to:
 - a. Monitoring compliance with established rules of conduct through subordinate staff;
 - b. Investigating the circumstances of the events described in the report/signal;
 - c. Ensuring conditions in the subordinate organisational unit conducive to the early detection and rectification of irregularities;
 - d. Employees of the Company as part of this Procedure in particular shall;
 - e. Make available the information necessary to investigate irregularities;
 - f. In their internal dealings and in their dealings with external customers present an attitude conducive to preventing any irregularities.

§ 3

1. Reports may be made:
 - a. by mail to: ul. BOWiD 24, 75-209 Koszalin with an annotation on the envelope “Whistleblowing - c/o the Company's Whistleblowing Officer”;
 - b. in person to the Company Officer by telephone at 538 505 671 (the Officer's telephone number will be posted on the notice board and on the “e-pracownik” platform) and, at the request of the reporting person, during a face-to-face meeting scheduled within 14 days of receipt of the report at the Company's offices at ul. BOWiD 24, 75-209 Koszalin. In such case, upon the consent of the Whistleblower, the report shall be documented in the form of a searchable recording of the conversation or a record of the meeting which reproduces its exact course;
 - c. to the e-mail address zgloszenienaruszen@kospel.pl (e-mail address of the Company Officer shall be posted on the notice board and on the “e-pracownik” platform).
2. The report may be:
 - a. public where the person agrees to disclose his or her identity to those involved in investigating the report;
 - b. confidential where the person does not consent to the disclosure of his or her data and the data are subject to secrecy;
 - c. anonymous where it is in no way possible to identify the reporting person.

§ 4

1. The report shall in particular include:
 - a. the data of the reporting person, i.e. name, surname, job position, place of work (does not apply to anonymous reports) and, in the event that the reporting person does not wish his or her data to be disclosed, an indication that their data are confidential and should be kept confidential;
 - b. date and place of making the report;
 - c. details of the infringer, i.e. name, surname, job position, place of work or, if the infringer is not known, a precise description of the situation as to which the reporting person alleges the infringement;
 - d. description of the irregularities and their dates.
2. The report may additionally be documented with collected evidence and a list of witnesses.
3. The report can take any form, however, the Company suggests using the model report sheet attached as Annex 1 to the Procedure.

§ 5

1. The reports are recorded by the Company Officer. In case of a report containing the personal data of the person making the report, the Company Officer shall, within 7 days of its receipt, confirm to the reporting person the acceptance of the report, unless the reporting person has not provided an address to which the acknowledgement should be forwarded.
2. An entry in the record of internal reports is made on the basis of an internal report. The record of internal reports contains the following data:
 - a. Report number;
 - b. Subject of the breach;
 - c. Details of the whistleblower and the reported person necessary to identify them;
 - d. Whistleblower's contact address;
 - e. Report date;
 - f. Information on follow-up actions;
 - g. Date of closing of the case.
3. The personal data and other information on the record of internal reports shall be retained for a period of 3 years after the end of the calendar year in which the follow-up actions were completed or the proceedings initiated by those actions are completed.
4. The Company Officer shall verify the report and further communicate with the reporting person, including requesting additional information and providing feedback to the reporting person, and then decide on further follow-up actions.

5. Follow-up actions shall be taken without undue delay.
6. The results shall be presented within 3 months of the acknowledgement of acceptance of the report or, if no acknowledgement has been provided to the reporting persons, 3 months after the expiry of the term of 7 days from the report date, unless the Whistleblower failed to provide a contact address for feedback.

§ 6

1. Reports shall be addressed with due seriousness and care in a confidential manner under application of the principles of impartiality and objectivity.
2. When handling reports, all participants in the proceedings are required to exercise due diligence to avoid making decisions on the basis of misguided and unfounded accusations that are not borne out by the facts and evidence gathered, and to respect the good name and reputation of the employees and persons concerned.

§ 7

As a result of the follow-up actions, the report may be deemed:

1. Legitimate, prompting corrective action or notification of law enforcement;
2. Unfounded (unsupported) and the report is then dismissed.

§ 8

1. The reporting person may make an external report without first making an internal report, whereby the subject of an external report may be violations of the laws referred to in § 1(1) and may not be issues relating to harassment, discrimination and unequal treatment in employment (§ 1(3)).
2. An external reports is received by either the Ombudsman or a public authority.
3. A report made to the Ombudsman or a public authority by omission of making an internal report shall not deprive the Whistleblower of the protection guaranteed by the provisions of the Whistleblower Protection Act.

§ 9

1. Protection shall extend to persons who have made a report and to persons who have assisted in the making of a report if they have acted in good faith, i.e. upon reasonable belief based on information in their possession which makes the irregularity reported objectively plausible.
2. The persons referred to in subsection 1 shall be protected only with regard to the reports made.
3. The reporting person shall enjoy the protection provided that he or she had reasonable grounds to believe that the reported information on breach of law was true at the time of reporting and that such information constitutes information on breach of law. Protection shall be afforded against possible retaliation, as well as persecution, discrimination and other forms of exclusion or harassment by other employees.
4. No retaliatory action or attempted or threatened retaliatory action may be taken against the whistleblower or any person associated with the whistleblower.
5. The following, in particular, shall be considered retaliatory actions:
 - a. Refusal of employment;
 - b. Termination of employment with or without notice;
 - c. Failure to conclude a fixed-term employment contract after the termination of a probationary employment contract, failure to conclude a second fixed-term employment contract or failure to conclude an indefinite-term employment contract after the termination of a fixed-term contract - where the employee had legitimate expectation that such a contract would be concluded with him or her;
 - d. Reduction in remuneration;
 - e. Withholding of promotion or omission in promotion;
 - f. Omission in the award of work-related benefits other than wages;
 - g. Transfer of the employee to a lower position;
 - h. Suspension from employment or official duties;

- i. Delegation of existing employee duties to another employee;
 - j. Disadvantageous change in the place of work or working time schedule;
 - k. Negative performance appraisal or a negative opinion of the work provided;
 - l. Imposition or application of a disciplinary measure, including a financial penalty, or a measure of a similar nature;
 - m. Coercion, intimidation or exclusion;
 - n. Harassment;
 - o. Discrimination;
 - p. Unfavourable or unjust treatment;
 - q. Withdrawal of participation or omission from selection for professional qualification training;
 - r. Unjustified referral to a medical examination, including psychiatric examination, insofar as separate regulations provide for the possibility of referring an employee to such an examination;
 - s. Acts designed to impede the employee's future employment in a particular sector or industry on the basis of an informal or formal sectoral or industry agreement;
 - t. Causing financial loss, including economic loss, or loss of income;
 - u. Infliction of other intangible harm, including infringement of personal interests, in particular the whistleblower's reputation.
6. The employer has the burden of proving that the action taken, as referred to above, is not retaliatory in nature, in particular that it is not unlawful, bears no relation to the fact of making such report or assisting in the making of such report, and results from circumstances rooted in fact.
 7. The same protection afforded to the reporting person shall extend to the person assisting in making the report and to the person related to the reporting person if they are also employed with the Company.

§ 10

1. If work or services were, are or are to be provided on the basis of a legal relationship, other than employment, forming the basis for providing work or services or performing a function or service, the provision of § 9 shall apply mutatis mutandis, provided that the nature of the work or services provided or the performance of a function or service does not preclude the application of such measures to the whistleblower.
2. A whistleblower who has been subjected to retaliation is entitled to compensation in an amount not less than the average monthly wage in the national economy in the preceding year, announced for pension purposes in the Official Journal of the Republic of Poland "Monitor Polski" by the President of Statistics Poland, or to damages.

§ 11

The reporting person shall at all times be informed of the circumstances in which disclosure of his or her identity becomes necessary, e.g. in the event of criminal proceedings.

§ 12

1. Kospel is the controller of the personal data recorded in the register of internal reports.
2. The rules on the processing of personal data are set out in the Privacy Policy and information on their processing can be found in the Data Processing Notice available at www.kospel.pl.

§ 13

For matters not regulated by this procedure, the relevant provisions of Polish law and the Directive of the European Parliament and of the Council (EU) on the protection of persons who report breaches of Union law shall apply.