



## **Procedure for the reporting of misconduct and the protection of Whistleblowers in the Recticel Group**

### **I. Context**

The Recticel Group expects its managers and employees to observe the terms of their mandate, service agreements or employment agreements in a loyal, co-operative manner and in good faith. This general duty of care also encompasses the basic moral obligation to report any reasonable suspicion that another manager or employee might be guilty of serious misconduct, fraud or gross malpractice.

For the sake of equal treatment and ethical conduct, Recticel Group has established a formal reporting for dealing with managers and employees as well as with contractors or anybody who willfully commit policy/procedure breaches or criminal offences detrimental to Recticel or the public interest.

The implementation of a whistle blowing procedure also refers to the requirements expressed in several regulations, international standards and basic principles of corporate governance.

For this reason, the Recticel Group wants to create and foster a corporate culture marked by honesty and openness, where all managers and employees (the "whistleblowers") have the opportunity to report potential fraud or other gross malpractice in the earliest possible stages without fear for any reprisals and where whistleblowers are assured that they will receive fair treatment and that their concerns will be investigated properly.

### **II. Basic principles**

The Recticel Group formally endorses the following basic principles:

1. Employees who have reasonable grounds to suspect that serious misconduct, fraud or gross malpractice has occurred or may occur must be given the opportunity to report their concerns in accordance with this Procedure.
2. All reported concerns regarding serious misconduct, fraud or gross malpractice must be treated objectively and in strictest confidence.

3. All reported concerns regarding serious misconduct, fraud or gross malpractice must be investigated thoroughly, fairly and objectively within a reasonable period of time.
4. Persons reporting concerns regarding serious misconduct, fraud or gross malpractice must not suffer any detrimental or negative consequence as a result of their disclosures provided such disclosures are made in good faith.
5. The rights of persons about whom concerns are reported must be safeguarded and respected.
6. Reports by an identified individual (yet which remain confidential) are preferred to anonymous reports.

Managers and employees must refrain from abusing the reporting procedure and thereby deliberately harming another. Where subsequent investigation reveals that it can be proven that the accusations were made with malicious or slanderous intent, appropriate sanctions will apply (these may extend to dismissal for cause, where justified in accordance with work rules and applicable legislation).

Unless otherwise regulated by law, managers and employees must at all times observe the procedure set out in this Procedure.

Those responsible for fraud or malpractice, as an offender or as an accomplice will be subject to appropriate penalties commensurate with the gravity of the facts.

### **III. Scope**

Employees are in the best position to recognize dishonest behaviour in their working area. This Procedure applies to the reporting of all types of serious misconduct, fraud and gross malpractice relating to violations or infringements of internal rules (such as e.g. the *Recticel Ethics Policy* and the *Business Control Guide*) as well as external rules (legislation, accounting rules as well as rules related to financial reporting, government regulations, or rules on market abuse, insider dealing, money laundering, theft, fraud, corruption, bribery, etc.).

This Procedure applies to all managers and persons employed by a Recticel Group entity under an employment contract or any other mandate, as well as to agents and outsiders the Recticel Group entity works with.

## **IV. Process**

### **Step 1: Reporting**

#### **(a) Point of contacts**

The Recticel Group encourages every manager and employee to use the usual reporting lines and discuss any specific concerns with line management first before resorting to the possibilities set out in this Procedure. All line managers must ensure that all concerns reported are treated with respect for the same principles as set out in this Procedure.

If this is not possible, or when discussions with line management do not produce a satisfactory solution, multiple contact points are available to allow a whistleblower to report his or her concerns.

These multiple contact points include the following departments or persons:

- ✓ The Legal Department;
- ✓ The Internal Audit Department;
- ✓ The Group Human Resources Department;
- ✓ The Compliance Committee
- ✓ The Group General Manager of each business line;
- ✓ The Chief Executive Officer;
- ✓ The Chairman of the Audit Committee;
- ✓ The Chairman of the Board of Directors
- ✓ The Ombudsmann<sup>1</sup>.

Concerns about serious misconduct, fraud or gross malpractice can be reported through all possible channels of communication (by letter, e-mail, phone, personal discussion, etc.). At Group level a dedicated mailbox [compliance.reporting@recticel.com](mailto:compliance.reporting@recticel.com) is available, with strict access and confidentiality rights.

For the sake of thoroughness of investigations and with a view to protecting all those concerned and avoiding a culture of anonymous reporting, preference is given to confidential reporting by identified individuals. If circumstances demand, concerns may be reported anonymously.

#### **(b) Content / format of report**

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<sup>1</sup> For German managers and employees, the “Ombudsmann” can be contacted under: Peter Bertram, Frans-Hals-Strasse 35, 44795 Bochum or [whistleblowing@schlaraffia.de](mailto:whistleblowing@schlaraffia.de)

In order to make it possible to conduct a thorough investigation, whistleblowers should, insofar as possible, provide the following information in their reports/communication:

- ✓ The identity and contact details of the whistleblower;
- ✓ The name of the entity where the matter occurred.
- ✓ A description of the case, with all known relevant facts (what happened, where, when, what specific behaviour gave rise to the concerns being reported, who is involved, etc.);
- ✓ An indication of why the matter is being reported;
- ✓ An indication of whether the matter has already happened, is happening or may happen in the future;
- ✓ An indication of how the whistleblower obtained his or her knowledge of the incident or situation;
- ✓ Whether there are other persons involved or witnesses (ideally with names);
- ✓ Whether the whistleblower has any supporting documentation;
- ✓ Whether the whistleblower has discussed the matter with anyone else, and if so with whom;
- ✓ An estimate of the amounts that might be involved;
- ✓ A description of the (potential) prejudice

The above does not mean that serious misconduct, fraud or gross malpractice cannot be reported even if the concrete facts are not known in detail.

### (c ) Compliance Committee

The Compliance Committee (made of the Chief Executive Officer, the Chief Human Resources Officer, the General Counsel & General Secretary, the Chief Audit Executive and the Deputy General Counsel), serves as the centralising point where all reports and investigations are to be centralised. All contact points mentioned above must forward incoming reports to the Compliance Committee without delay.

The Compliance Committee investigates the case as appropriate.

All managers, or employees receiving a report regarding serious misconduct, fraud or gross malpractice are obliged to report these cases, anonymous or not, promptly to the at least one of the multiple contact points listed in this section as well as to the Compliance Committee via the *central mailbox* [compliance.reporting@recticel.com](mailto:compliance.reporting@recticel.com)).

## **Step 2 : Investigation**

Following the reporting of a potential case, a high level check is performed to evaluate if the case reported is well founded. Depending of the result of this first analysis, the case is closed or further investigated. In the latter case, the relevant competences needed are identified by the Compliance Committee and put together in an investigation team.

### (a) Investigation team

The investigation team is made of the Compliance Committee members, reinforced by the relevant competences, when needed. In case of potential conflict of interest with one of the Compliance Committee member, this member is not part of the investigation team.

The investigation team is responsible for the following:

- ✓ Reporting to relevant management level
- ✓ Keeping the whistleblower informed of the progress of the investigation, unless this might harm the whistleblower or hinder the investigation
- ✓ Ensuring that the identity of the whistleblower is kept confidential (the source must not be disclosed at any time), unless the whistleblower expressly consents to having his or her identity revealed or unless this is required by law (for instance, in case of a judicial inquiry). This does not exclude that the whistleblower, like all other people involved, can be interviewed with regard to the issues reported
- ✓ Reporting facts that must be reported to official bodies. Where appropriate, a complaint may be lodged with the competent government authorities
- ✓ Safeguarding the rights of the person about whom concerns are reported
- ✓ Properly safeguarding all the elements related to the investigation work.

Investigators are subject to strict ethical rules, particularly with regard to observing due discretion and displaying the necessary reserve.

Every manager or employee is required to co-operate in good faith with these investigations.

Where appropriate (for instance when there is a possible conflict of interests, or the independence of an investigator is compromised), recourse may be had to an external party to conduct the investigation.

#### (b) Confidentiality and objectiveness

All managers and employees as well as the multiple contact points listed in step 1 above are accountable for ensuring that all concerns are treated fairly, objectively and in strictest confidence and that they are thoroughly and fairly investigated within a reasonable period of time.

#### (c.) Protection of the whistleblower

The Recticel Group guarantees that whistleblowers who report serious misconduct, fraud or gross malpractice concerns in good faith will suffer no adverse or negative consequences whatsoever of disclosing those concerns in accordance with this Procedure.

Any directive prohibiting a manager or an employee from disclosing concerns in keeping with this Procedure is wholly inadmissible.

Reprisals for reporting concerns are to be considered a serious violation of this Procedure. If this happens, appropriate action will be taken to safeguard the position of the whistleblower and investigate the individual(s) who have attempted any reprisal.

#### (d) Protection of the person about whom concerns are reported

The Recticel Group guarantees that the person about whom concerns are reported is protected in the sense that it will seek to strike a balance between the interests and rights of the various parties concerned, including the right of the Recticel Group to investigate the facts.

The person about whom concerns are reported is entitled to access, correct and remove information related to himself that is incomplete or incorrect, in accordance with the data protection rules. These rights do not entitle the person concerned to make copies of documents or other material related to the investigation, the findings and the measures taken.

The exercise of these rights can be postponed to avoid hampering the investigation or restricted in order to safeguard the rights of others concerned. The decision on whether or not these rights should be restricted is made on a case-by-case basis. In any event, confidentiality must be maintained and the whistleblower's anonymity guaranteed in good faith, unless a legal obligation for disclosure would exist.

### **Step 3 : Monitoring and reporting**

The results of all investigations is reported to the Compliance Committee who shares it with the relevant recipient in accordance with the standard reporting lines for investigations of serious misconduct, fraud or malpractice (Line Management, Audit Committee, Board of Directors, etc.).

## **V. Amendments**

The principles set out in this Procedure are minimum standards, applicable to all entities of the Recticel Group. Where these principles are incompatible with local laws or regulations, the latter will take precedence over the former.

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