

Whistleblower procedure

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1. PURPOSE

The purpose of this procedure is to facilitate whistleblowing and ensure correct handling of such reports. Everyone has a right – and in some cases a duty – to report censurable conditions, including misconduct at their place of work.

Axactor aims to have a professional and positive workplace with a respectful, open and inclusive environment. All employees in Axactor shall behave with respect and integrity towards anyone they encounter through their work. Axactor shall create an environment free from discrimination and do not tolerate any breaches of applicable laws and/or regulations, or business practice principles (as outlined in the policies and the Code of Conduct). This also applies for anyone with whom Axactor conduct business. Axactor therefore encourages everyone to report censurable conditions in accordance with this whistleblowing procedure and applicable law and welcomes the whistle-blower's potential contribution to improvements to the Axactor organization.

2. SCOPE

This procedure applies to all employees in the Axactor group globally and its subsidiaries. In this procedure, "employee" includes full-time, part-time, permanent, and temporary employees as well as consultants/contract workers, and trainees. The procedure also applies for suppliers, debtors, customers, or business partners who would like to report on any censurable conditions in the Axactor group, as defined below.

3. RIGHT AND DUTY TO MAKE A WHISTLEBLOWING REPORT

In accordance with applicable law, everyone is entitled to report censurable conditions at or relating to Axactor. The term "censurable conditions" is interpreted broadly, and includes all circumstances that violate

- Laws and/or regulations
- Ethical standards set out in Axactor's Code of Conduct
- Measures to prevent illegal activities set out in Axactor's policies, including the Code of Conduct, anti-money laundering, anti-fraud and anti-corruption policies.

Examples of notifiable conditions:

- Corruption
- Bullying or freeze-out behavior
- Tax violations
- Threats to life and health
- Breaches of health, safety and environmental regulations
- Misuse of inside information
- Fraud, embezzlement

It is not necessary for the whistle-blower to evidence the reported condition, or to prove that it is in fact censurable. It is sufficient for the employee to be acting in good faith. Employees who make a whistleblowing report shall be protected against retaliation, provided the report was made in good faith.

Employees will in any case have a duty to report to the employer (or safety representative) in the following circumstances:

- 1) If an employee becomes aware of errors or deficiencies that may entail a *threat to life or health* and the worker cannot remedy the matter directly
- 2) If an employee becomes aware of *harassment* or *discrimination* at the workplace
- 3) If an employee is *injured* at work or *falls ill* and considers that this is due to *the work performed or conditions at the workplace*.

4. APPROPRIATE PROCEDURE FOR THE WHISTLEBLOWING

Concerns should be raised as early as possible and should always be raised in accordance with the procedure outlined below. Axactor encourages all employees to speak up, and use the whistleblowing channels, including the external whistleblowing channel, as appropriate.

Before making a report, the whistle-blower should always consider whether the problem could be solved by raising the matter directly with the person concerned. **However, illegal actions, or suspicions thereof, should always be reported.**

Any reports will be regarded as legitimate, provided they are made in good faith.

A report will be regarded as illegitimate if it is made in a manner that constitutes harassment and/or is purposefully based on unfounded allegations. Anyone who deliberately makes a false report with the intention of harming another person will be subject to appropriate disciplinary actions, and if necessary, reported to the relevant authorities.

5. FORM AND CONTENT OF A WHISTLEBLOWING REPORT

Whistleblowing reports may be submitted verbally or in writing (letter, email, etc.). In the event a report is submitted verbally, the recipient must prepare a written record of all information received.

One may elect to report information anonymously. However, Axactor encourages avoidance of anonymous reporting whenever possible, as anonymous reports complicate investigations, undermine the possibility of contradiction, and make it difficult to comment on or disprove the allegations. The procedure described must also be followed in the case of anonymous whistleblowing reports (except for full name and position of the person reporting).

The external whistleblowing channel is set up to secure anonymous reporting and ensure confidential and anonymous communication between the whistle-blower and the whistleblowing channel.

The whistleblowing report is to be as precise as possible, and shall, to the extent available, include the following minimum information:

- Full name of the person reporting (unless one request to be anonymous)
- Position of the person reporting (unless one request to be anonymous)
- The date of the report
- The date and time of the observation being reported
- What, specifically, they have observed (heard or seen)
- Who the observation involves
- Where the observation(s) was/were made
- Other potential witnesses
- Whether similar cases have arisen previously

6. WHISTLEBLOWING REPORT RECIPIENTS

6.1. Internal whistle-blower channel

Whistle-blower reports may be notified to:

- The employee's immediate superior
- The employee's superior's superior
- Directly to the manager of the unit concerned
- The Human Resources department locally or at Group level
- The Legal and compliance department locally or at Group level
- Another manager in whom the employee has confidence
- Safety delegate or employee elected representative
- Key account manager or another manager who the whistle-blower has confidence

All of the above have a duty to receive reports from the whistle-blower, and to put forward the reports to the appropriate local compliance officer, the Chief of Staff or the external whistle-blower channel. The recipient of the report shall assist the whistle-blower and preserve his/her anonymity if so requested. One can choose to report directly to Group management without informing the country management.

In case the report relates to anyone in the executive management team, reports may also be submitted directly to the chair of the board of directors:

Kristian Melhuus at e-mail: kristian.melhuus@gmail.com

6.2. External whistle-blower channel

Axactor has also established an independent external whistleblowing channel, reserved for more severe cases, or in case the reported condition relates to anyone in the top management and/or directors of the board.

In case of serious misconduct, reports may be made to:

Lawyers firm DLA Piper Norway DA (company registration number 982 216 060)
Address: Bryggegate 6, 0250 Oslo
Phone: 00 47 55 69 99 50 or 00 47 90 13 89 94
E-mail: hugo.munthe.kaas@dlapiper.com

Contact persons:

Hugo Munthe-Kaas, Partner and Head of Compliance (Norwegian and English speaking)
A report may also be made in local language to DLA's office locally, referencing Hugo Munthe-Kaas.

6.3. Whistleblowing portal

Axactor has a whistle-blower portal delivered by an external company to facilitate the report. The portal is available through PeopleHub or through this link:
<https://portal.mittvarsel.no/skjema/axactor/i9VEHCILfSFZsz2b.711?lang=en>

The portal is available in all local languages. It is possible to report by name or anonymous.

NB: Any reports submitted through the whistleblowing portal will be accessible to the Chief of Staff, and in the event the report relates to the Chief of Staff or other members of the group management, the reporter may report directly to the external whistle-blower channel, which contact details are provided in section 5.2.

7. TREATMENT OF WHISTLE-BLOWER REPORTS

7.1. Reporting

The manager or unit who receives a whistleblowing report shall immediately report it to the local compliance officer, Chief of Staff or the external whistle-blower channel who shall undertake investigations and necessary actions. Local compliance officers and the external whistleblowing provider have a duty to document whistleblowing reports and inform the Chief of Staff. The Chief of Staff shall decide whether a report shall be handled locally, by group or an external party, e.g. the external whistle-blower provider, unless he/she is part of the observations.

The Chief of Staff shall keep a record of all reports within the group.

7.2. Conflict of interest

To ensure the confidence and integrity of the whistle-blower channel, anyone with potential conflict of interest, or who is part of the same management team or reporting line as the person(s) the report concerns, shall not be involved in the managing of the report.

If a report concerns the CEO or any of the members of the executive management team, the external whistleblowing provider shall appropriately follow-up the reported matter without the involvement of the executive management team. If the matter concerns the CEO, the Chair of the Board shall be notified directly without informing the CEO. The Chair shall decide how to handle the report. The Chief of Staff and CEO shall only be involved on a need-to-know basis.

If the report involves anyone in the country management team, other than the country manager, the report shall be managed by the Chief of Staff unless he/she is too close to the matter at hand.

7.3. Investigation

All whistleblowing reports must be processed without undue delay, respectfully and thoroughly. The recipient of a whistleblowing report shall undertake such investigations as are necessary to clarify the matter. Submitted reports shall be treated confidentially. Accordingly, the identity of the whistleblower shall only be revealed to persons in need of the information to be able to process the report appropriately.

The documentation required (interviews/written documents, etc.) shall be decided on a case-by-case basis. The person(s) responsible for the investigations shall conduct necessary interviews which must be recorded and documented in such a way that it can be used as prove.

7.4. Unfounded report

If a report is decidedly unfounded or is not suitable to be dealt with as a whistleblowing matter for other reasons, the report may be dismissed without further action taken but documented in compliance with all applicable laws and regulations.

7.5. Founded report

Any decision regarding further actions and outcome of investigation shall be made without undue delay. Disciplinary actions to employees shall be handled in collaboration with the relevant HR manager and relevant country manager. Disciplinary actions towards a supplier, customer or business partner shall be handled in collaboration with relevant Legal director, the internal contract owner and relevant country manager or CEO.

Proven internal or external fraud and corruption or other criminal behavior shall be reported to local police and relevant authorities by the local Legal director and/or the Chief of Staff.

The responsible for managing the report shall inform Chief of Staff of any action taken.

Consideration should always be given to whether a whistleblowing report indicates a need for changes to general processes and operations. Negative conditions must be corrected.

8. TREATMENT OF PERSONS WHO ARE THE SUBJECT OF A WHISTLEBLOWING REPORT

Reports will normally identify one or more persons either directly or indirectly. Axactor has a duty to ensure that employees who are the subject of a whistleblowing report are not burdened unnecessarily, regardless of whether the reported circumstances are in fact censurable and, if so, regardless of the seriousness of the matter. This duty is met by providing relevant information and giving the individuals concerned the opportunity to explain potentially censurable conditions, ensuring the right to contradiction.

9. CEO AND BOD-REPORTING

Chief of Staff shall keep the CEO and the Board through the Audit Committee informed of all whistleblowing cases reported, whether dismissed or investigated, and follow-up on any changes they may require, provided that they are not part of the investigation.

The external whistleblower provider shall file a separate report by year end directly to the Board to the attention of the president of the Audit Committee summarizing the reports provided to the external channel.

10. FEEDBACK TO WHISTLEBLOWERS

The whistleblower must receive swift confirmation that their notification has been received and be kept informed of further developments to the extent appropriate and reasonable.

If the criticism turns out to be groundless or based on a misunderstanding, the whistleblower must receive a proper explanation.

The whistleblower shall be informed of the final decision in the matter.

11. PROTECTION AGAINST RETALIATION

Employees who submit a whistleblowing report in accordance with these whistleblowing procedures, shall be protected against any unfavourable treatment (“retaliation”) related to the whistleblowing. Axactor will ensure that no reprisals are made against a whistleblower, and that notifications of possible violations made in good faith will have no effect on their future professional career in Axactor.

12. DATA PRIVACY AND WHISTLEBLOWER LEGISLATION

To be able to appropriately process a report personal information is required. Personal data shall only be processed in accordance with the GDPR, local privacy law and the EU whistle-blower protection directive.

The processing is based on the legitimate interest and our legal obligation to detect and prevent grievances and the associated prevention of damage and liability risks for Axactor. The processing also serves to prevent criminal offences or other legal infringements in connection with the employment relationship in Axactor.

This whistle-blower portal is operated by a specialized company (data processor) on behalf of Axactor (data controller). Personal data and information entered in the whistleblowing portal are stored in a secured database to which only a small group of expressly authorized and specially trained resources can access. The personal data will only be processed for the purpose to carry out necessary investigative activities aimed at verifying the validity of the report and the adoption of the consequent measures. Access to the personal data will be kept to a minimum on a need-to-know basis, but may in addition to key Axactor employees include third parties as for example consultants (e.g. law firms, etc.) and institutions and / or public authorities, judicial authorities, police, investigative agencies.

The information relating to the respective report will only be stored as long as it is necessary, limited to maximum two years.

13. LOCAL LAW

If mandatory law in the country/state, in which the whistle-blower is employed, is in contradiction with this procedure, the governing law shall prevail.

Review log

Version	Date	Edited by	Comment
1.0	11.06.2018	HR Director	Updated policy, made more extensive, clarified roles. Previous version was from March 5 th 2018
2.0	15.08.2018	Chief of Staff	Minor justifications and clarified roles, including reporting to CEO and Board
3.0	01.06.2022	Chief of Staff	Alignment with new template, general clean-up of language, clarified the process and updated contact details for new external law firm.