
Rules for Reporting Grievances (Whistleblower Directive)

1 January 2019

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1 Purpose

The conduct of Arbonia AG and its group companies (hereinafter referred to as "Arbonia") vis-a-vis employees, business partners, shareholders and the general public is characterized by integrity, fairness and professionalism. Both strategic considerations and day-to-day operations are based on the highest of ethical and legal standards. Arbonia does not accept any unlawful conduct or violations of the Code of Conduct and the Supplement to the Code of Conduct of Arbonia (hereinafter jointly referred to as the "Code of Conduct") from the Board of Directors, Group Management, Heads of Division, Managing Directors, employees, customers, suppliers or other business partners.. To be able to meet this obligation to maintain the highest level of privacy and prevent damage to Arbonia as well as its customers and employees before it's too late, Arbonia relies on tips from employees concerning grievances in the event of breaches of the Code of Conduct and of the directives that specify the details of the Code of Conduct. Every employee is jointly responsible for compliance with these rules.

2 Scope of application

The Whistleblower Directive is applicable to all employees in a permanent or temporary employment relationship with Arbonia, as well as to people with executive functions. The Whistleblower Directive stipulates the rules and duties of employees in conjunction with reports of suspected grievances. Breaches of the Code of Conduct of Arbonia and of the directives that specify the details of the Code of Conduct are in particular considered grievances. When assessing whether specific practices could constitute a breach of the Code of Conduct of Arbonia, employees shall apply reasonable ethical and moral criteria and use common sense. Country-specific customs and conventions shall also be taken into consideration. There is no margin of discretion in the event of violation of the law.

Every employee is called upon to, as a first choice, follow the usual chain of command for reporting grievances (report to direct superiors, the works council, the HR department etc.) However, in the event that the employee does not trust the usual point of contact, or if the point of contact fails to take action after the report has been made, three internal reporting points are available to the employee.

3 Right to report grievances

The employees of Arbonia are entitled and encouraged to report grievances that have occurred or are impending in accordance with the following stipulations in the event that there is concrete evidence or multiple indications.

The following events in particular should be revealed / prevented by being reported:

- Criminal conduct;
- Breaches of the Code of Conduct and the directives of Arbonia;

- Breaches of applicable domestic and foreign laws;
- Questionable business practices or dangerous business conduct which could result in significant damage to Arbonia;
- Incidents that could jeopardize the health or safety of employees or the general public (occupational safety and product safety);
- Incidents that could have negative effects on Arbonia or its employees.

Reported grievances must be related to the business activities of Arbonia. There is no right to report grievances for private matters and petty offences. Such incidents shall be settled directly with the parties concerned, with the involvement of the superior where applicable.

4 Reporting points

In the event that an employee does not trust the usual point of contact (see Section 2), or if the point of contact remains inactive after the report has been made, the following reporting points are available to the employee:

- **Head of Division / Managing Director**

- **Head of Legal & Compliance**

Address: Personal/Confidential
Arbonia Management AG
Head of Legal & Compliance
Amriswilerstrasse 50
CH-9320 Arbon
Switzerland

Telephone: +41 71 447 4580

Email: wb-compliance@arbonia.com

Languages: Telephone messages will be received in German, English and French.
Written messages may be submitted in any language. A translation will be ordered depending on the language of a message.

- **Head of Internal Audit**

Address: Personal/Confidential
Arbonia Management AG
Head of Internal Audit
Amriswilerstrasse 50
CH-9320 Arbon
Switzerland

Telephone: +41 71 447 4581

Email: wb-internalaudit@arbonia.com

Languages: Telephone messages will be received in German, English and French.
Written messages may be submitted in any language. A translation will be ordered depending on the language of a message.

The report may be directed to one of the other named reporting points or to the Chairman of the Audit Committee. The Name of the Chairman of the Audit Committee can generally be found in the current annual report.

5 Content of reports

Reports shall include all useful information, in particular a detailed description of the grievance, the time and place of the misconduct established, the names of the people involved in the grievance and information about any knowledge on the part of management or other employees of the suspected grievance. The report may be made verbally or in writing.

General reports and reports with too few details cannot be pursued. The requirements for the content of the report and the care to be taken in conjunction with disclosure of it are higher depending on the seriousness of the breach in question and the strength of the suspicion against a specific person.

6 Confidentiality of identity

The name of the person filing the report must be given. Including the person's name enables more efficient processing of the report as well as follow-up questions for the employee who filed the report. The information disclosed within the scope of a report, in particular the identity of the employee who filed the report, will be treated confidentially.

7 Abusive reports

Knowingly reporting false or misleading information about an alleged grievance or suspecting other employees and superiors against one's better judgement is prohibited. Abusive reports will not be pursued further, no legal protection (confidentiality of identity and prohibition of punishment) will be granted and such reports may result in disciplinary and legal consequences.

8 Reporting process

If a report is made, the reporting point records the facts and immediately investigates the reported incident, unless it is clear from the start that there is no grievance, that it is a petty offence or that the report is abusive. If the report concerns HR issues, such as bullying or sexual harassment at work, the received report will immediately be forwarded to the HR department for further investigation.

The internal reporting point invoked informs the Head of Division / Managing Director with responsibility for the area that the facts to be investigated fall under of the received report

and, in due time, of the results of the investigations. In the event that the respective Head of Division / Managing Director or his/her conduct is part of the facts to be investigated, he/she will not be informed of the report. In the event that a report is filed directly with a Head of Division / Managing Director, he/she shall inform the Head of Legal & Compliance of the received report and, in due time, of the results of the of the investigations of the facts. In the event that the Head of Legal & Compliance or his/her conduct is part of the facts to be investigated, the Head of Division / Managing Director shall inform the CEO.

Internal or external parties may be brought in to investigate the reported matter. The identity of the employee who filed the report will be treated confidentially, provided that said employee has not given express consent to the passing on of his/her identity.

All employees, especially including employees who file reports, are obliged to provide information and grant access to all business documents to the party tasked with investigating the facts and any specialist parties brought in to assist. The rights of accused employees will be safeguarded in accordance with Section 10.

In the event that a grievance is established upon completion of the process, the necessary measures to redress the grievance will be taken immediately and the superior will be informed of the outcome of the process.

Employees that have reported a grievance will be informed upon completion of the investigation of the facts whether corrective or other measures have been taken. The information supplied in such cases will be merely of a general nature and will only be supplied to the extent that such is legally permissible in the interest of confidential treatment of the investigated facts and to safeguard the rights of third parties (privacy protection, data protection, etc.).

The party tasked with investigating the facts shall immediately inform the Board of Directors, the Chairman of the Audit Committee, the CEO, the CFO, the Head of Legal & Compliance and the Head of Internal Audit of particularly serious grievances as well as measures taken. In addition, regular reports on pending and completed processes shall be submitted to the Chairman of the Audit Committee and the CEO.

The autonomy of the reporting points as well as of any specialist parties brought in shall be ensured.

9 Prohibition of punishment

Employees that report grievances in good faith and in accordance with this directive will receive the full support of Arbonia and will be protected from punishment. Employees may not be put at a disadvantage, dismissed, threatened, harassed or punished in another manner as a result of a report of grievances filed in good faith and in accordance with this directive. The superiors are responsible for the protection of employees that file reports from negative effects on from their employer or other employees. In the event that employees that file reports fear punishment or in the event that employees that have filed reports have been punished, they may request remedial action from the Head of Legal & Compliance. Punishment of employees that file reports will not be tolerated by Arbonia and those instituting such punishment will be punished with disciplinary action.

10 Protection of accused employees

In the event that employees are accused by name in a report, the employee concerned shall be given the opportunity to make a statement as soon as the progress of the process allows. Accused employees will be informed of the corresponding report immediately and in accordance with the data protection law stipulations pursuant to Section 11, provided that informing him/her does not jeopardize the investigation of the facts. Accused employees do not have any right to be informed of the identity of employees who file reports.

11 Data protection

Personal data and information may be collected within the scope of a report. Arbonia analyses the personal data and information disclosed by the report, conducts further investigations where applicable and may take remedial action or institute punishment. The personal data and information may only be viewed, processed and utilised for the purpose of processing a report by the competent reporting point and any specialist parties brought in (Legal, Internal Audit, HR, external consultants, etc.). The identity of employees who file reports will be treated confidentially according to Section 6.

11.1 Duty to inform

All employees whose identities are named within the scope of a report will be informed of the receipt of a report concerning them immediately, provided that further investigation of the facts is not jeopardised in the process. They will be informed no later than upon completion of the process.

Upon completion of the process, the employee affected by a report will be informed of the investigations conducted and of their results, provided that such has not already occurred. He/she shall be given the opportunity to, if applicable, set the record straight with regard to the presentation of the facts and request corrections of personal data and information processed.

In the event that no investigations are conducted after a report has been filed, because it is clear from the start that there is no grievance or it is a petty offence or because the report is abusive, the report will immediately be deleted without the accused employee being informed.

11.2 Right to information

Every employee has the right to information concerning his/her personal data processed, provided that the interests of third parties or of Arbonia do not outweigh said right. Employees affected by a report do not however have any right to disclosure of the identity of the employee who filed the report.

11.3 Storage of data

After completion of the process, a report will be prepared which contains the facts, any counter statement by the affected party, the measures taken and a reference to the location of the complete documentation. This report shall be stored in the staff file of the respective employee, subject to the provisions of Section 11.1, last paragraph. The report, as well as the complete documentation, will be stored for as long as knowledge of them is needed for performance of the employee's employment contract, for as long as they are needed for a criminal investigation or for proceedings in court or the data must be stored by virtue of the law.

In the event that it is established upon completion of the process that there is not any grievance, the affected employee will additionally be given the right to have the collected data deleted. In the event that he/she exercises this right, no trace of the report filed as well as the investigations may be found in the staff file under any circumstances.

12 Prohibition of reports to third parties

All employees of Arbonia are obliged to maintain confidentiality with regard to all internal matters that are not expressly approved for the general public by the competent parties. Communication with media and the general public is reserved exclusively for the Board of Directors, the CEO and the Head of Corporate Communications. In addition to the aforementioned parties, the Head of Legal & Compliance is also responsible for communication with supervisory and criminal justice authorities.

Employees are prohibited from making statements to or answering enquiries from third parties (press, authorities etc.) concerning Arbonia or customers. External disclosure of internal matters may result in labour law and penal law consequences.

13 Disclosures

Disclosures in conjunction with the Whistleblower Directive are made by the Head of Legal & Compliance.

14 Effective date

These instructions replace the instructions dated 22 May 2013 and come into force on 01 January 2019.

Arbon, 19.12.2018

Arbonia AG

Chairman of the Board of Directors

Secretary of the Board of Directors

Alexander von Witzleben

Andrea Wickart