

# Reporting (whistleblowing) Policy



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## 1 Introduction

This Policy is designed to ensure a high level of ethical and professional behavior in our relationships inside and outside the Company. It aims to protect the prestige and reputation of the Company from illegal or contrary to the Company's Code of Conduct while ensuring an employment environment of integrity.

## 2. Definitions

For the purposes of this Policy, the following definitions apply:

- "Company" refers to the company "KAPACHIM SA".
- "Policy" refers to this Reporting Policy.
- "Report" refers to the verbal or written or through an electronic platform provision of information, disclosure, complaint, regarding breaches referred to in this Policy.
- A "Reporting Person" refers to a natural person who reports or publicly discloses information on breaches acquired in the context of his or her work-related activities;
- "Person Concerned" refers to a the natural or legal person named in the internal or external Report or public disclosure as the person to whom the breach is attributed or related to the person to whom the breach is attributed that falls within the scope of this application.
- "Receipt & Follow-up of Reports Officer (R.F.R.O.)" is defined as the individual employee or partner of the Company (in accordance with the population restrictions of employees and taking into account the other concurrent exceptions stipulated by law) which is designated to receive and process the Report management process. This role is assigned to the Human Resources Director.

## 3. Legal Framework

The Reporting Policy (hereinafter the "Policy") incorporates the requirements of the regulatory framework, as reflected indicatively and not restrictively in the applicable provisions of Law 4808/2021 on the elimination of violence and harassment at work, the promotion of safety and health at work, in the framework of the integration of the European Union Directive and Law 4990/2022 entitled "Protection of persons who report breaches of Union law - Incorporation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 (L 305) and other urgent arrangements".

## 4. Scope

This Policy is implemented by the Company.

The Reporting process applies:

- (i) to the members of the Board of Directors (BoD) and to the persons exercising managerial duties in the Company,
- (ii) to the Company's employees,
- (iii) to customers, suppliers, as well as anyone who provides services to the Company,
- (iv) to any third party who possesses proof and/or valid information regarding irregular or illegal actions (already committed or about to be committed) and are relevant to the Company.

## 5. Purpose & Basic Principles

This Policy defines the principles and the procedural framework according to which the Company receives, processes, investigates and handles named and anonymous Reports and Complaints about irregularities, omissions, inappropriate behavior, or other criminal acts that came to the attention of any person professionally associated with the Company, and specifically the employees, customers, suppliers or other third parties.

To that end, the Policy outlines the creation of a reliable mechanism for:

- (a) the support and protection from malicious actions against persons, who in good faith make a Report on a matter which they consider to be a wrong practice or malpractice and which affects the operation of the Company, and

(b) the effective management of Reports, ensuring that potential Reports are taken seriously, stay confidential, are investigated and the result of the investigation is made known to the Reporting Person to the extent that it does not conflict with applicable law.

Moreover, regarding the support/protection of the above persons, the Policy defines ways, so that the persons in question can express their concerns, or their complaints, or their suspicions and receive information about the result of each investigation. At the same time, it clearly defines the procedure for submitting and managing Reports with speed, transparency and efficiency.

The Policy is governed by the following fundamental principles:

1. All evidence and information relating to each submitted Report will be meticulously collected and investigated in order to provide a reasonable and adequately documented response.
2. An environment of trust and security is ensured for employees, customers and suppliers and any third party - partner, thereby encouraging the submission of "good faith" Reports of irregular/illegal acts or serious offenses that fall under the aegis of the above persons.
3. The anonymity and personal data of the Reporting Persons, i.e. the persons who submit valid Reports are protected and, as long as these persons are employees or connected in any way with the Company, their current position or their future professional development is not at stake.
4. All Reports aim at the compliance and adherence to the relevant institutional framework as well as to safeguard the interests of the Company, its shareholders and customers, without any expectation or insinuated promise of payment or any other kind of consideration to the Reporting Person for submitting his report.
5. Reports are treated with due seriousness and consistency in accordance with general and specific principles and values such as, in particular, respect for personality, trust, transparency, decency, honesty and professional conscientiousness. Each Report is investigated diligently and without discrimination, there is a response to each Report showing professionalism and understanding, every effort is made exhausting every possibility to settle the Report immediately and in any case there is no dispute with the Reporting Person.
6. The management and handling of Reports in general, in accordance with this Policy, follows the relevant procedure based on the central arrangement at Company level.

## 6. Reports Content

Reports are encouraged to be made on the basis of a sincere and reasonable/well-founded belief that an illegal, criminal act or misconduct has been committed or is likely to be committed.

Reports of irregularity, omission or criminal act may concern – but are not limited to – the following:

1. Actions involving evidence of gross negligence, suspicion of fraud or corruption,
2. Actions that harm the purpose, goals and reputation of the Company,
3. Actions that conflict with the Company's interests, and in particular violations of the Company's Code of Conduct,
4. Serious violations of Policies and Procedures, with potential risk of financial loss,
5. Serious irregularities, as well as key violations concerning the provision of services by the Company,
6. Actions that endanger the health and safety of the Company's employees,
7. Cases of offering and/or accepting a bribe,
8. Acts harmful to the environment and natural resources,
9. Cases of theft, embezzlement, abuse, money laundering, terrorist financing, forgery, breach of confidentiality, breach of competition law, accounting, tax and control violations,
10. Matters of reprehensible behavior such as bullying, discrimination, threats, extortion, use of violence, profanity, defamation,
11. Inappropriate behavior, any kind of harassment (eg sexual, racist), and/or abuse of power,
12. Violation of privacy and personal data, as well as violation of the security of network and information systems,

13. Misuse of Company assets and resources,
14. Violations of EU law rules in the field of public procurement.

## 7. Reporting Anonymity

Named Reports are encouraged, as anonymous Reports make the process of their detailed investigation particularly difficult and sometimes inefficient, due to the inability to provide additional necessary information (e.g. not possible to have a direct conversation, meeting to provide clarifications with the Reporting Person during the investigative process) but also because of the difficulty of checking and evaluating the credibility of the Reports. In any case, anonymous Reports are investigated taking into account, among other things, the seriousness of the subject matter and the facts provided, combined with the possibility of confirming them using independent and reliable sources. Therefore, submitted anonymous Reports are examined according to their degree of documentation and the possibility of locating the illegal activity they describe.

It is pointed out that the reference to sensitive personal data based on the applicable legislative framework (i.e. data related to racial or ethnic origin, political opinions, religious or philosophical beliefs, membership in a trade union, genetic and biometric data, health, sexual life and sexuality orientation) should be avoided, unless they are directly related to the content and substance of the Report. Otherwise, the Report and the specific information will be deleted.

The anonymity of the Reporting Person is protected and no actions are taken that may result in the disclosure, directly or indirectly, of his identity. However, it is noted that disclosure of the identity of the Reporting Person may be required by court or legal process, in the context of further investigation of the case.

## 8. Protection of Reporting Person and Person Concerned

Reports must always be made in "good faith". The Company complies with the legal framework, applies the measures it defines and ensures the safety of any person, who submits a Report in good faith, from

1. any acts of retaliation, regarding their current position and their future professional development,
2. any other kind of discrimination or any kind of unfavorable treatment,
3. targeting actions or behaviors on the part of the persons responsible for receiving and examining the Report.

In the event that the examination of the Report does not result in proof of the reported conduct, there will be no consequences for the person who made the Report in good faith.

In the event that the Reporting Person participated in the event or act referred to, he is not relieved of his responsibilities, but his contribution to the detection and investigation of irregularities or breaches will be taken into account.

The persons included in the Reports ("Person Concerned ") have the right to be informed of the offense for which they are being accused, for the persons who have access to the data included in the Report, in the context of its investigation or in the preparation of a relevant report, as well as for their right to express their views on the case and to be called to a plea testimonial. However, if there is a serious risk that the above notification could hinder the investigation of the case and the collection of the necessary evidence, the notification of the persons to whom a specific Report concerns may be postponed until this risk ceases to exist. In the case where the Report is finally proven, to the extent possible, unfounded, the Person Concerned included in the Report will not be informed that there was a Report against him, for reasons of safeguarding the stability of the working environment, unless the employee exercises the right access to his personal data or there is a relevant legal obligation.

## 9. Personal Data

Any processing of personal data under this Policy is carried out in accordance with the relevant national and European legislation. The data of all persons involved are protected and subject to processing only for the purpose of ascertaining the validity or otherwise of the specific Report and to investigate the specific incident.

In the event that the persons included in the Report are not immediately informed of its content, in order not to take actions to obstruct the investigation, the reasons for the relative delay should be recorded in writing and the corresponding document should be archived in the relevant case file.

Only those involved in the management and investigation of the incident may have access to the data included in the Reports for the purposes of reviewing or managing the Reports. Also, the data included in the Reports may be accessed by the individuals included in the Report, witnesses and anyone else with a legitimate interest. The extent of access given to each applicant is decided on a case-by-case basis by the “Receipt & Follow-up of Reports Officer” and varies according to the status of the applicant and the seriousness of the case. When access is allowed, the details of the Reporter and witnesses are withheld, unless they have given express consent, and if the Report has been proven to be malicious. The relevant decisions on the extent of access are documented in writing and kept in the file of the specific Report.

The Company takes all necessary technical, operational and organizational measures to protect personal data.

## 10. Available Channels for Submitting Reports

In order to facilitate the investigation and proper evaluation of the Reports, the Reporting Persons are encouraged to include, at a minimum, the facts, events, behaviors that caused the suspicion/concern, with reference to the name of the persons/parties involved, the name of any witnesses (if any), date, time and location of the incident, any details or evidence, amounts or assets involved, frequency of the incident, and their reason for making the Report. In no case is the Report expected to prove the potential concerns/suspicions of the Reporter, however, it is encouraged to report all available information in order to facilitate the identification and investigation of the case.

The Company, in full compliance with the institutional framework and with the aim of establishing a method of submitting a Report, easily accessible to the user, has set up the following communication channels where Reports can be submitted in a safe and easy-to-use manner:

- Through the company's website at: [www.kapachim.com](http://www.kapachim.com) under “[Whistleblowing Mechanism](#)”
- By phone: +30 2262031912 (ext. 18) (Mon-Fri 11.00 – 16.00)
- Via email: [tkalozimis@kapachim.com](mailto:tkalozimis@kapachim.com)
- By mail to the address: KAPACHIM SA, El. Venizelou 128, t.k. 14231 , Nea Ionia, Greece – marked “CONFIDENTIAL” to the Human Resources Manager/ Receipt & Follow-up of Reports Officer.  
It is pointed out that the correspondence in question will be logged without being opened, a procedure that will be scrupulously observed by the authorized officer and subject to sanctions in case of errors or omissions.

Any expression of protest, dissatisfaction, opinion and/or complaint, which is not submitted through the aforementioned procedure for submitting Reports, is not recognized and is not treated as a Report and in such cases, the rules and procedure adopted through this Policy do not apply.

## 11. Report Management

Investigation and handling of Reports is an essential process for dealing with reported issues, concerns or incidents, whether it is a report of misconduct, security breach, or any other related matter. The delineated and adequately defined process ensures a thorough and impartial investigation.

### a. Process Management

Once any Report is submitted, the following process will be followed for management and investigation by the involved parties

The Receipt & Follow-up of Reports Officer:

1. provides the appropriate information – instructions regarding the possibility to submit a Report.

2. Receives all Reports and verifies if they meet the conditions in order to fall within the scope of this Policy, his conclusion is documented in writing.
3. Acknowledges receipt of the Report to the Reporting Person within a period of seven (7) working days from the day of receipt (using the same communication channel that has been used by the Reporting Person).
4. Maintains a registry and file of Reports, in accordance with this Policy.
5. Forwards the Report to the Company's authorized Committee for further processing, or ends the process by archiving the Report in case it is incomprehensible or is submitted abusively or does not contain incidents that document breach of the institutional framework or there are no serious indications of such breach.
6. Ensures the confidentiality of the identity of the Reporting Person and any third party named in the Report, preventing access to it by unauthorized persons, except as defined in the investigation process.
7. During the investigation, if deemed necessary, he may request communication with the Reporting Person and for further information regarding his Report.
8. Provides information to the Reporting Person on the actions taken within a reasonable period of time, which does not exceed three (3) months from the acknowledgment of receipt, or if no acknowledgment of receipt has been sent to the Reporting Person, three (3) months from the end of seven (7) working days from the submission of the Report.
9. Provides clear and easily accessible information on the procedures by which Reports can be submitted to the National Transparency Authority (N.T.A.) and, if necessary, to public bodies or institutions and other bodies or organizations of the European Union, as mentioned in Greek Legislation, Law 4990/2022.
10. Plans and coordinates training activities. In addition, he may participate in the formulation of internal policies to strengthen integrity and transparency by submitting relevant proposals.

Reports are investigated in their entirety as long as they meet the above criteria. The investigation is carried out by the " Code of Conduct Affairs Committee" as defined in the "Code of Conduct (Behavior and Ethics)" which acts as the "Report Investigation Committee" (R.I.C.).

In particular, if the topic concerns issues of employee complaints and relations, then the investigation is carried out by the Human Resources Director. In the event that the subject matter of the Report falls into operational or financial matters, then the investigation is carried out by an external auditor (the approval of the Managing Director or the Board of Directors is required).

The decision to finalize the Report varies according to the nature of the content, the result of the investigation, the position of the Person Concerned and others involved, as well as the seriousness of the incident. Consequently, the relevant settlement decisions may indicatively be taken by the following executives: Human Resources Director, Financial Director, CEO, Chairman of the Board of Directors, with the supervision and recommendation of the Report Investigation Committee (R.I.C.).

It is pointed out that all the involved parties of the Company shall manage the Reports with due diligence, impartially, confidentially and in full implementation of what is defined in this Policy. In case a person who is appointed with the management of a Report in any stage is involved or referred to as a Person Concerned, he/she will automatically be excluded from the process and be replaced, if deemed necessary.

The Report Investigation Committee (R.I.C.) has overall responsibility for the implementation of this Policy and the monitoring of its procedures. In addition, it is clearly stated that for each Report, it does the following:

1. is informed immediately about the Reports from the Receipt & Follow-up of Reports Officer and co-manages their investigation and settlement, as above,

2. immediately informs the Managing Director and the Chairman of the Board of Directors of the Company - from the investigation stage - for serious cases of Reports and complaints as well as for their progress,
3. informs the Managing Director and the Chairman of the Board of Directors of the Company in an anonymized form about the number, nature/subject matter, and seriousness of the complaints/reports, for informational and statistical purposes, as well as for the review of insurance policies and identified risks,
4. oversees the presentation of the overall data in anonymized form of the Reports in an annual report.

The Report Investigation Committee (R.I.C.) may handle issues that have arisen outside of this procedure, if independent management is required for the issues in question. Such matters may arise, amongst others, through reports from supervisory authorities or through the customer, supplier and employee complaints process, originating from different communication channels. During the management of these issues, the Committee cooperates with all appropriate executives of the Company.

The Report Investigation Committee (R.I.C.)

1. oversees the proper implementation of this Policy and
2. configures the relevant procedure according to the needs that arise.

The Directors and Supervisors of all Departments of the Company must

1. inform their subordinates regarding this Policy and the relevant procedures,
2. encourage their subordinates to adopt a positive, open attitude so that they feel they can easily express their concerns and findings and
3. apply the decisions of the Appointed officials of the Company to deal with possible Reports.

Company employees should

1. be aware of this Policy and related procedures and
2. when submitting a Report, conduct it in good faith, with evidence and declaring whether they have a direct personal interest related to the matter, and thus actively contribute to safeguarding the integrity of the Company.

### **b. Recordkeeping Specifications**

A Registry of all submitted Reports is created and maintained containing the following information:

1. serial number, date of receipt, subject, category and origin,
2. information regarding the investigation of each Report (actions and persons involved in the investigation), documented handling decisions during the investigation, and
3. final result of the investigation, as well as its final settlement. All actions that have been implemented should appear in chronological order.

The Receipt & Follow-up of Reports Officer (R.F.R.O.) maintains, in electronic or paper form, a file, with the necessary data protection specifications, which includes all the Reports he receives, as well as the documents related to each one of them, from the time of their submission and for a minimum period of five (5) years from the filing date of the Report. This period is necessary for the effective management of Reports and the rational treatment of the issues that arise, including the evaluation and analysis procedures of the incidents in order to deal with reported breaches and prevent related incidents in the future, especially for cases that are assessed as potentially regularly repeated. The period of five (5) years is deemed to be absolutely proportional in relation to the above purposes and coincides with the legal limitation period for claims from tort.



The Report Investigation Committee (R.I.C.), in collaboration with the Receipt & Follow-up of Reports Officer (R.F.R.O.), utilizes the historical data related to Report incidents, to derive qualitative and quantitative data - in anonymized form - for the identification of risks in the Company's systems, procedures and functions in general, which will be evaluated in terms of their criticality.

The following are indicatively mentioned as analysis parameters:

1. identification of the operating units with the most Reports, as well as the number of Reports with the same or similar subject matter,
2. cause analysis of Reports to identify common root causes;
3. examining whether the above-mentioned root causes affect or may possibly affect other functions of the Company.

### c. Reporting Retaliation Protection Framework

#### **Purpose**

Recognizing that there are employees who are reluctant to make any kind of Report due to fear of possible retaliation, this framework ensures that a safe environment is provided in order to protect and encourage the reporting of irregularities, omissions or other wrongdoing that has come to the attention of employees and their associates.

The Company opposes to the imposition of retaliation against any employee or partner, who reports or participates in the investigation of an existing or suspected violation of the relevant institutional framework and/or the internal regulations governing the operation of the Company

"Retaliation" refers to any direct or indirect act or omission, occurring within the employment context, which causes or may cause undue harm to the Reporting Person, or puts him at a disadvantage, connected to an internal or external Report or public disclosure.

More specifically, the Company, in full compliance with the applicable legal framework, declares zero tolerance for any form of retaliation and in particular for the following:

1. suspension, dismissal or other equivalent measures,
2. demotion, omission or deprivation of promotion,
3. removal of duties, change of place of work, reduction of salary, change of working hours,
4. deprivation of training,
5. negative performance evaluation or negative career recommendation,
6. reprimand, imposition of disciplinary or other measure, including monetary penalty,
7. coercion, intimidation, harassment or marginalization,
8. discrimination or unfair or unequal treatment,
9. not converting a temporary employment contract into a permanent one,
10. non-renewal or early termination of a temporary employment contract,
11. intentional harm, including reputational damage, especially on social media, or financial loss, including business loss and loss of income,
12. blacklisting, based on a sectoral or union formal or informal agreement, which may mean that the person will not find employment in the sector or industry in the future,
13. early termination or cancellation of a contract for goods or services,
14. revocation or cancellation of a diploma or license,
15. referral for psychiatric or medical follow-up,
16. denying or withholding reasonable accommodations to persons with disabilities.

With the above framework, every employee is encouraged, without fear of any form of reprisal, to speak "openly", with directness and provide honest and complete information, when he observes or suspects illegal or unethical behavior or behavior contrary to the relevant institutional framework or/and the internal regulations governing the operation of the Company.

### **Reporting procedure for Retaliation and Remedial Actions**

In the event that an employee is subjected to retaliation in his work environment, he is encouraged to disclose the incident by submitting any information that substantiates the Report. For Reporting a Retaliation incident, the employee shall follow the Reporting Management Procedure as mentioned in this policy, where the Receipt & Follow-up of Reports Officer (R.F.R.O.) receives the Report and evaluates its credibility, investigates the incident in the manner stated herein and proceeds with the appropriate resolution/settlement. The Reporting Person is informed at the end of the procedure about the outcome of the Report and its resolution.

The Company takes the necessary actions to restore the working environment of the employee who is found to have been subjected to retaliation, even considering his transfer to another department as long as this is possible and the relevant consent of the employee has been obtained.

### **Basic principles for the protection against acts of retaliation**

The Company supports the presumption of innocence for both the Person of Interest and the Reporting Person, i.e. that he acted "in good faith".

The Company is committed to respecting the framework for the protection of the Reporting Person and the Reporting Person (equality) from retaliation, even if the submitted complaints cannot be confirmed after a relevant investigation.

It is also noted that appropriate consequences will be attributed to the Reporting Person, only if it is proven that the employee or partner knowingly made a false claim, provided false or misleading information or Report and thus obstructing an investigation or acted in bad faith in any way or with deceptive motives and for his own benefit.

### **d. Description of the Reporting Application (platform).**

The electronic Reporting Application (platform) enables employees and partners of the Company, as well as third parties, to submit a Report for breaches referred to in this Policy and which have come to their attention regarding the Company, confidentially or anonymously via computer or mobile phone.

At the same time, through the application, they are provided with the possibility to maintain a communication channel with the Receipt & Follow-up of Reports Officer (R.F.R.O.), without revealing their identity at all stages of the process. It is emphasized that the management and evaluation of all information are kept strictly confidential.

The online application is easy to use. After entering the Reporting (platform) and online submission of the Report, the Reporting Person creates/registers a tracking and disclosure password. This password along with a disclosure identifier generated by the application, is used in order for the Reporting person to be able to connect – without disclosing his personal details, as long as he does not wish it – in order to monitor his submitted report.

## **12. Approval and Review**

Under the responsibility of the Human Resources Director/ Receipt & Follow-up of Reports Officer (R.F.R.O) of the Company, this Reporting (whistleblowing) Policy is communicated to employees and an updated version is posted on the Company's website [www.kapachim.com](http://www.kapachim.com) .

The Reporting (whistleblowing) Policy is revised whenever required. The Human Resources Director/ Receipt & Follow-up of Reports Officer (R.F.R.O) is responsible for preparing and forwarding Policy revisions to the Managing Director for approval.