

Whistleblower scheme

Purpose and background

The purpose of this description of the whistleblower scheme is to explain how the scheme works so that it has a preventative effect while avoiding a situation where employees, business partners or others fail to report significant issues.

Flügger is a trustworthy company with an open corporate culture, where everyone can freely express themselves if they have experienced any irregularities or unlawful acts committed by the company's employees.

Acknowledging the importance of this type of information coming to light, and that an open corporate culture is not always sufficient for this to happen, we have decided to introduce a whistleblower scheme. The whistleblower scheme enables employees, business partners and others who are in good faith to report either anonymously or non-anonymously:

- I. Criticisable conditions or actions
- II. Unlawful acts that may result in a financial loss for the company
- III. Circumstances that may adversely affect the company's reputation etc.

Reports can be made via the [whistleblower portal](#) (accessible via www.flugger.com) or by phone:

Denmark: 80 82 00 58

Norway: 80 02 46 64

Sweden: 020 889 823

Poland: 00 800 141 0213

Iceland: +1 720 514 4400

What can be reported under the whistleblower scheme?

The whistleblower scheme may only be used to collect information on serious offences or suspected serious offences which may be of significant importance for the company as a whole, or which may be of crucial importance for the life or health of individuals.

This includes information on:

- Financial crime, including embezzlement, bribery, fraud, forgery, corruption, accounting fraud etc.
- Serious breaches of occupational health and safety and environmental rules
- Physical violence or sexual abuse

Issues such as bullying, dissatisfaction with wages, breaches of alcohol and smoking rules etc. should not be reported in the whistleblower system, but should instead be reported through the usual communication channels in Flügger (via management, HR or via the trade union representatives).

How are cases handled?

Reporting

Whistleblowers can provide their name or choose to report matters anonymously. The system makes it possible to have a dialogue with the whistleblower while still protecting his or her anonymity.

When submitting a report, you will be asked to choose an access number and select a password. You will then be able to log on to the system and follow the case. If you have chosen to be notified of any changes, you will receive an email whenever there are any developments in the case.

If the whistleblower report concerns matters that fall within the scope of the whistleblower scheme, the Group General Counsel and Chief People Officer will make an initial assessment of the report, including the possibilities for shedding sufficient light on the matter. If the nature of the report does not preclude this, the report will be handled solely by Group General Counsel.

If the nature of the report prevents the case from being handled by Group General Counsel, it will be exclusively handled by the Chief People Officer.

Rejection

If the report contains information on matters that fall outside the scope of the whistleblower scheme, or if the report is considered to be unfounded, it will be rejected. At the same time, the person reporting the matter will be informed if he or she has asked to be notified of any developments in the case.

Dropping of case

If the report concerns matters which are found not to be serious, of significant importance or of a recurring nature, the report will be dropped – with feedback to the person who has submitted the information that the matter will not be investigated further. The matter will also be dropped if it is not possible to shed sufficient light on it.

Further investigation

If the information falls within the scope of the whistleblower scheme and relates to a qualified and verifiable matter, i.e. a matter which can be considered to be serious, of significant importance or of a recurring nature, and if it is deemed that it is possible to shed sufficient light on the matter, the matter will be investigated in more detail by Group General Counsel. Any further investigations must be carried out as soon as possible, always respecting the possible urgency of the matter.

The investigation should draw on all relevant information including but not exhaustively statements from the person to whom the report relates, relevant documentation, interviews with other employees etc.

If relevant, external assistance may be brought in to the extent necessary in conducting the further investigation.

Based on the investigation, a decision will be made as to whether the case is unfounded, or whether the employee who has been reported should be issued with a warning or be dismissed, or whether the case, if criminal, should be reported to the police.

Security

All reports are submitted via Convercent Inc's web-based whistleblower portal. All data transmission between the internet browser and the database is encrypted in accordance with the industry standards applicable at all times for cryptographic technologies.

How is the whistleblower protected?

Flügger does not tolerate any form of retaliation against or punishment of persons who, in good faith, report or assist Flügger in investigating infringements under the whistleblower scheme. This includes reprimands, retaliation, changed work assignments, changes to employee benefits, changes to reporting requirements, thwarting of the whistleblower's career prospects or reputation, threats to do any of the above or deliberate omissions which may harm the person in question.

However, persons who knowingly and in bad faith report another person will not be protected. Persons who report other employees in bad faith may be subject to civil, criminal and administrative sanctions as well as disciplinary sanctions, including dismissal.

If we are aware of the identity of the 'whistleblower', under Danish law we can and will in most cases be forced to disclose the name of the person to the individual who is being reported if the person so requests, or if the investigation leads to a police investigation or trial.

What is the accused told about the case?

The person who is the subject of the report will be sent information about the suspicions which have been raised and reported. This includes information on i) his/her suspected conduct, ii) the departments in Flügger which might receive the report, and iii) how he/she should avail themselves of the right of access to the case and the right to respond.

No information will be provided on who has submitted the report, even if the whistleblower has chosen not to remain anonymous. However, if a non-anonymous report results in legal proceedings being initiated against the reported person, the person in question risks being called as a witness in the proceedings.

Erasure and the rights of the persons involved?

All personal data submitted in connection with the whistleblower scheme will be processed in accordance with the [Privacy Policy](#).

Version of 28 October 2019.