

Regulations and Procedure for Reporting Violations by Whistleblowers

Based on the Directive of the European Parliament and Council (EU) 2019/1937 of October 23, 2019, on the Protection of Persons Reporting Breaches of Union Law and the Whistleblower Protection Act of June 14, 2024

§1 DEFINITIONS

Whenever the following terms are used in this document, they are to be understood as follows:

1. **Employer** - Refers to an employer as defined in Article 3 of the Labor Code Act of June 26, 1974 (Journal of Laws of 2020, item 1320, and 2021, item 1162). In these Regulations, "Employer" refers to **ADAMS Ltd.**, headquartered in Baranowo (62-081), at Nowina Street 20, represented by the CEO or Vice-President, hereinafter referred to as "the Company."
2. **Report Coordinator** - Refers to the individual responsible for following up on the report, including verifying the report, communicating with the **Whistleblower**, requesting additional information, providing feedback, and supervising the entire reporting process, with the caveat that the coordinator cannot be a member of the Investigation Team formed to address the report.
3. **Employee** - Refers to a person employed under the terms defined in Article 22 §1 of the Labor Code.
4. **Associate** - Refers to a person providing services to the **Employer** under a civil law contract.
5. **Authorized Reporter** - Refers to a person entitled and obliged to submit a **Report**.
6. **Reporter** - Refers to the person submitting a Violation Report through the designated channels outlined in this Procedure.
7. **Subject of the Report** - Refers to an individual or entity identified in the report as potentially responsible for a violation of the law or associated with such a person.
8. **Assistant to the Reporter** - Refers to a person aiding the reporter in the submission or public disclosure of a report within an employment-related context.
9. **Person Associated with the Reporter** - Refers to an individual potentially vulnerable to retaliation, including an associate or family member of the Reporter.
10. **Whistleblower** - Refers to a person making a Violation Report who has been granted **Whistleblower status** as defined by these Regulations.
11. **Work-Related Context** - Refers to all circumstances related to employment or other legal relationship forming the basis of work provision in which information about a violation was obtained.
12. **Procedure** - Refers to the **Violation Reporting Procedure** described in these Regulations.
13. **Violation** - Refers to factual circumstances resulting from an action or omission suggesting the possibility of events that breach or may breach generally applicable laws or internal regulations, including any illegal or unethical acts or omissions.
14. **Violation Report/Report** - Refers to the provision of information suggesting a Violation by an Authorized Reporter as set out in these Regulations.
15. **Information on a Breach of Law** - Refers to information, including reasonable suspicion, about an actual or potential breach of law within the organization where the reporter works or has worked, or any other organization with which the reporter has or had a work-related connection, including any attempt to conceal such a breach.
16. **Violation Register (Register)** - Refers to the log kept in connection with submitted Reports.
17. **Preliminary Report Analysis** - Refers to verifying the content of a report to determine grounds for recognition in an investigation and granting the reporter Whistleblower status. The Report Coordinator may request that the Reporter provide additional details within a set timeframe.
18. **Investigation Team (Team)** - Refers to the internal investigation team appointed by the Report Coordinator to comprehensively clarify the circumstances described in the **Violation Report**.
19. **Investigation/Follow-up Action** - Refers to actions undertaken by the Employer or public authority to assess the validity of the allegations in the report, including internal investigations, inquiries, prosecution, recovery actions, or closure of the report handling procedure.
20. **Feedback** - Refers to providing the reporter with information on planned or taken follow-up actions and the reasons for such actions.

21. **Retaliatory Action** - Refers to direct or indirect actions or omissions due to a report or public disclosure that infringes or could infringe the rights of the reporter or causes or could cause harm to the reporter.

22. **Internal Report** - Refers to the reporting of a breach of law within the Company using internal communication channels in accordance with these Regulations.

23. **External Report** - Refers to reporting a breach of law to a public authority or the central authority - the Ombudsman.

24. **Central Authority** - Refers to the public administration authority competent to provide information and support regarding reporting and public disclosure of violations, receiving external reports of breaches in areas covered by the law, conducting preliminary verification, and forwarding them to the appropriate authorities for further action.

25. **Public Authority** - Refers to a public administration authority that has established a procedure for receiving external reports of breaches of law in areas within its jurisdiction.

26. **Public Disclosure** - Refers to making information on a breach of law publicly known.

§2 GENERAL PROVISIONS

1. The Company's operational strategy is based on taking into account various aspects, including social interests, environmental protection, and relationships with different stakeholders, with a particular emphasis on responsibility, anti-corruption, and preventing other Violations both within the organization and among collaborating entities.

2. The primary objective of these Regulations is to prevent Violations within the Company.

3. The Company conducts its operations in strict adherence to legal regulations, best practices, and the highest ethical standards.

4. The fundamental goal of the Regulations is to create a system for reporting Violations within the Company by establishing secure reporting channels that prevent any retaliatory actions against the Whistleblower.

5. The Procedure specifically defines:

5.1. The scope of Violations covered by the Procedure,

5.2. Persons authorized to submit a Report,

5.3. Principles of reporting Violations by Authorized Persons,

5.4. Responsibilities in the Violation management process,

5.5. The process for reviewing and managing Violations,

5.6. Confidentiality principles, especially the obligation to maintain secrecy regarding submitted Violation Reports by Whistleblowers and the identity of individuals reporting Violations.

§3 SCOPE

1. The Regulations and its provisions apply to reports of breaches of law, including actions or omissions that are illegal or aimed at circumventing laws related to:

1.1. Public procurement,

1.2. Financial services, products, and markets,

1.3. Anti-money laundering and anti-terrorism financing,

1.4. Product safety and compliance,

1.5. Transport safety,

1.6. Environmental protection,

1.7. Radiological and nuclear safety,

1.8. Food and feed safety,

1.9. Animal health and welfare,

1.10. Public health,

1.11. Consumer protection,

1.12. Privacy and data protection,

1.13. Network and information system security,

1.14. EU financial interests,

1.15. The EU internal market, including competition and state aid rules, as well as corporate taxation,

1.16. Employment organization and labor law,

1.17. Corruption,

1.18. Occupational health and safety.

2. Authorized Reporters include:

- 2.1. Current and former Employees and Associates of the Company,
 - 2.2. Persons acting on behalf of and in the interest of the Company,
 - 2.3. Any other individuals associated with the Company, including persons assisting in the submission of a Violation Report, interns, trainees, or job applicants (if they obtained information on the Violation during recruitment or other **pre-employment processes**).
3. **Violations** primarily include information possessed by Authorized Reporters that may indicate:
- 3.1. Suspected preparation, attempt, or commission of a prohibited act,
 - 3.2. Failure to fulfill duties or abuse of powers,
 - 3.3. Lack of due diligence required under the circumstances,
 - 3.4. Breaches within the Company's activities that could lead to a prohibited act or cause harm,
 - 3.5. Violation of internal procedures and ethical standards adopted by the Company.

§4 PERSONS RESPONSIBLE FOR MANAGING REPORTS

1. The person responsible for receiving and reviewing Reports of Violations within the Company, as well as overseeing the entire reporting and review process, is the **senior payroll and personnel specialist**, acting as the Reporting Coordinator.
2. In the absence of the senior payroll and personnel specialist, the role of coordinating the receipt and review of Reports is assumed by the payroll and personnel specialist or the administration manager.
3. Any person mentioned in the Report of Violation as potentially negatively involved in the act or omission constituting the Violation **may not be involved in analyzing that Report**.
4. The rules for selecting the members of the Investigative Team and the principles for excluding a member from the Team are specified in a separate Investigative Procedure.
5. If the Report of Violation concerns the individual mentioned in §4, point 1 above, the responsible person is the personnel specialist, and in their absence, the administration manager.

§5 WHISTLEBLOWER

1. In line with the principle of **good faith**, any individual authorized to submit a Report should report a Violation if they have reasonable grounds to believe the information they provide is accurate.
2. Any Reporter acquires the **status of a Whistleblower** unless the **Preliminary Analysis of the Report** indicates that the Reporter acted in clear bad faith (presumption of good faith). A Reporter is considered to be acting in bad faith if their actions conflict with the law or social norms.
3. **The decision to grant Whistleblower status is made by the Reporting Coordinator.**
4. If the Reporter did not submit the report anonymously, the **Reporting Coordinator** confirms receipt of the Report within **7 days** from the date of its submission.
5. Exceeding the deadline indicated in point 4 above is justified only if additional actions are required as part of the Preliminary Analysis of the Report (e.g., the need to supplement the Report or gather additional evidence). The Preliminary Analysis of the Report **must not take longer than 14 days**.
6. If, during the Investigative Procedure, it is determined that a Reporter, who was previously granted Whistleblower status, acted in bad faith, they will lose the protections afforded to a Whistleblower.

§6 REPORTING A VIOLATION

1. Reports of Violations may be submitted via:
 - 1.1. a dedicated email address for reporting violations at: naruszenia@adamsbox.com.pl,
 - 1.2. in writing, by completing the Violation Report form attached as Appendix 1 to these Regulations and submitting it to the designated reporting person,
 - 1.3. in person to the Reporting Coordinator,
 - 1.4. by telephone at +48 516-181-120.
2. A **Report of Violation** should contain a clear and detailed explanation of the subject of the Report and must include at least the following information:
 - 2.1. the date and place of the Violation or the date and place where the information about the Violation was obtained,

2.2. a description of the specific situation or circumstances creating the possibility of a Violation,

2.3. identification of the entity involved in the Violation Report,

2.4. identification of any witnesses to the Violation,

2.5. a list of all evidence and information available to the Reporter that may assist in evaluating the Violation.

3. The **Reporter** is obliged to treat the information in their possession regarding the suspected Violation as confidential and to refrain from discussing the reported suspicions publicly unless they are legally obligated to do so.

§7 ANONYMOUS REPORTS

1. Anonymous reporting of Violations is allowed via email or by telephone.

2. Each anonymous report is recorded in the **Register**. If an anonymous **Report** is not pursued, the Reporting Coordinator is required to provide reasons justifying this decision.

3. If, during the course of reviewing an anonymous Report, the identity of the Reporter becomes known, the Reporting Coordinator immediately grants them Whistleblower status.

§8 FALSE REPORTS

1. A Report of Violation may only be submitted **in good faith**.

2. Knowingly submitting false Reports of Violations is prohibited.

3. If, during the **Initial Analysis** or the **Course of Investigation**, it is determined that the Report of Violation knowingly contained false information or concealed the truth, the Reporting Employee may be subject to **disciplinary measures** as provided by the Labor Code. Such behavior may also be deemed a serious breach of fundamental employee duties and may lead to summary **dismissal without notice**.

4. In the case of the Reporting Person providing services or goods to the Company based on a civil contract, the finding of a false Report of Violation may result in **contract termination and the definitive end of collaboration between the parties, as well as penalties such as fines, restrictions, or imprisonment for up to 2 years**.

5. Regardless of the effects mentioned above, the Reporting Party who knowingly submits a false Breach Report **may be held liable for damages** in the event of **harm caused** by the false Report.

§9 FOLLOW-UP ACTION

1. **Access to the channels for Reporting Violations** is restricted solely to the Persons Responsible for Managing Reports.

2. Upon receiving a Report of Violation, the Reporting Coordinator conducts a **Preliminary Analysis of the Report** promptly—no later than within 3 days of its receipt.

3. The Reporting Coordinator is obligated to inform the Reporter of the acceptance of the report and the granting of Whistleblower status within **7 days from the date of the Report**.

4. If the Report is deemed eligible for further review, the **Reporting Coordinator** initiates an **Investigative Procedure / Follow-up Action**.

5. **Oversight** of the Investigative Procedure conducted by the Investigative Team is carried out by the **Reporting Coordinator**.

6. The Report of Violation is reviewed without undue delay, within a period not exceeding **30 days from the date of initiating** the Investigative Procedure, provided the reviewing body is able to collect the necessary documents and evidence within that time.

7. In particularly complex cases, the review of the Report of Violation may be completed within a period **not exceeding 90 days** from the start date of the Investigative Procedure.

8. The Investigative Team **prepares a report** from the completed Investigative Procedure.

9. The report includes the **Team's recommendations** on how to resolve the matter and any **potential consequences** for the perpetrator(s) of the Violation or the Reporter if it is determined they knowingly submitted a false Report, with the **Employer** taking necessary actions.

10. The Reporting Coordinator is obligated to inform the Whistleblower of the resolution of the case **within 30 days of concluding the review of the Report**.

§10 WHISTLEBLOWER PROTECTION

1. The Company's Management Board enforces a strict prohibition against any **retaliatory actions** against the Whistleblower, even if the Report of Violation was submitted in good faith and the subsequent Investigative Procedure determined that no violation occurred.

2. The Whistleblower is granted full protection against retaliatory actions, discrimination, and other forms of unfair treatment, including but not limited to:

- 1.1. refusal to enter into employment,
- 1.2. termination or dismissal without notice,
- 1.3. failure to offer a fixed-term employment contract after the conclusion of a probationary contract, or failure to offer a new fixed-term or permanent contract when there was a reasonable expectation of such an offer,
- 1.4. reduction in salary,
- 1.5. denial of promotion or being overlooked for promotion,
- 1.6. exclusion from benefits related to work beyond salary,
- 1.7. transfer to a lower position,
- 1.8. suspension of work duties or official responsibilities,
- 1.9. reassignment of the Whistleblower's duties to another employee,
- 1.10. adverse change in work location or work schedule,
- 1.11. negative performance evaluation or unfavorable feedback,
- 1.12. imposition of disciplinary actions, including financial penalties or similar measures,
- 1.13. exclusion from or denial of training for professional development,
- 1.14. unjustified referral for medical examination, including psychiatric evaluation, unless separate regulations allow such referrals,
- 1.15. actions that impede future employment in the same sector or industry, whether through formal or informal agreements.

– unless the employer can demonstrate that their actions were based on objective reasons.

3. Termination of employment or the dissolution of a mutual agreement with the Whistleblower solely due to their submission of a Report of Violation is strictly prohibited.

4. Protection does not extend to the Whistleblower if they are also the perpetrator, co-perpetrator, or accomplice in the Violation.

5. Further details regarding Whistleblower protection are provided in Appendix No. 5 to this Regulation.

§11 VIOLATION REGISTER

1. Each Report of Violation is registered in the **Violation Register**, regardless of the outcome of the Investigative Procedure.

2. The Reporting Coordinator is responsible for maintaining the Violation Register in the Company. In the event of their absence, the HR and payroll specialist or the administration manager takes over the management of the Violation Register.

3. The **confidential Register** maintained by the **Reporting Coordinator** contains at a minimum:

- 3.1. the Whistleblower's contact information, unless the Report was anonymous, and the case number,
- 3.2. all detailed information regarding the Report of Violation,
- 3.3. the process of analysis and review of the Report,
- 3.4. individuals and bodies involved in the analysis and review of the Report,
- 3.5. all decisions and escalations (if applicable).

4. The **internal reporting Register** maintained by the **Reporting Coordinator** includes at least:

- 4.1. case number,
- 4.2. subject of the violation,
- 4.3. date of internal report submission,
- 4.4. information on follow-up actions taken,
- 4.5. case closure date.

5. Besides maintaining the Register, the Reporting Coordinator is obligated to securely store all evidence, documents, and information collected during the analysis and review of the Report **for a period of 3 years from the date of receipt**, in accordance with confidentiality principles.

§12 EXTERNAL AND PUBLIC REPORTS

1. The Reporter may submit an external report without first submitting an internal report.

2. The central authority is the Commissioner for Human Rights (Ombudsman). Detailed information on external reporting is available on the Ombudsman's website.

3. The public authority receiving external reports is the body responsible for external reports regarding violations within its area of responsibility.

§13 FINAL PROVISIONS

1. The Procedure requires review and updates at least once a year.
2. The Reporting Coordinator is responsible for updating the Procedure.
3. Changes to the Procedure are enacted through an Order by the President of the Management Board. Employees and collaborators are informed by email via the Reporting Coordinator to their business email accounts and by posting in the Employer's notice boards.
4. The Employer is obligated to familiarize the employee with the content of this Regulation before allowing them to commence work.
5. The Regulation is implemented for an indefinite period.

Appendices:

1. *Violation Report Form*
2. *Confirmation of Violation Report*
3. *Confidential Register*
4. *Internal Reporting Register*
5. *Procedure for Whistleblower Protection in relation to the Report*
6. *GDPR Information Clause*
7. *Statement Template on Familiarization with the Regulation, including the Whistleblower Reporting Procedure*

Appendix No. 1 to the Regulations, along with the Whistleblower Reporting Procedure

VIOLATION REPORT FORM

General Information	
Subject/Scope of Report:	
Date:	
Location:	
Contact Information of the Reporter	
Type of Report:	<input type="checkbox"/> Anonymous
Full Name:	
Phone:	
Email:	
Detailed Information	
Date of Violation:	
Date Knowledge of Violation Was Acquired:	
Location of Violation:	
Was the Violation Reported?	
To Whom Was It Reported?	
Description of the Violation:	
Witnesses	
Name:	
Name:	
Name:	
Description of Evidence	
NATURE OF VIOLATION	
Suspicion of planning, attempting, or committing a prohibited act	
Negligence of duties or abuse of authority	
Failure to exercise due diligence required under the circumstances	
Violations related to organizational activities	
Breach of internal procedures or ethical standards	
Other:	
Declarations	
I declare that I am aware of the possible consequences associated with filing a false report of a Violation.	
I declare that this report is submitted in good faith.	
Attachments	
1.	
2.	
3.	
4.	

NOTICES

If it is determined during the Investigation Process that the Violation Report knowingly contained false information or concealed the truth, the Reporter, if an Employee, may be subject to disciplinary action as stipulated in the Labor Code. Such conduct may also be classified as a serious breach of fundamental employee duties, which may result in immediate termination of employment, **a fine, restriction of liberty, or imprisonment for up to 2 years.**

For a Reporter providing services or supplying goods to the Company under a civil law contract, the determination of a false Violation Report may result in the termination of the contract and the definitive cessation of cooperation between the parties, as well as **a fine, restriction of liberty, or imprisonment for up to 2 years.**

Regardless of the consequences specified above, a Reporter who knowingly makes a false Violation Report may also be held liable for damages if any harm results from the false report.

Attachment No. 2 to the Policy on the Procedure for Reporting Violations by Whistleblowers

CONFIRMATION OF VIOLATION REPORT

This is to confirm the receipt of a Violation Report submitted by _____
on _____, concerning a Violation related to:

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It is hereby acknowledged that the Reporter has been **granted/denied** Whistleblower status.

The denial of Whistleblower status for the Reporter is based on the following reasons:

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Signature of the Report Handling Coordinator

Attachment No. 3 to the Policy on the Procedure for Reporting Violations by Whistleblowers

Confidential Register

Report Number / Date of Report Receipt	Name and Contact Information of the Reporter	Detailed Information Regarding the Violation Report	Persons and Bodies Involved in the Analysis and Review Process of the Violation Report	Progress of the Analysis and Review Process of the Violation Report	Decisions and Escalations

Attachment No. 4 to the Policy on the Procedure for Reporting Violations by Whistleblowers

Internal Report Register

Case Number	Subject of Violation	Date of Internal Report Submission	Information on Follow-Up Actions Taken	Date of Case Closure	Remarks

Attachment No. 5 to the Policy on the Procedure for Reporting Violations by Whistleblowers
Whistleblower Protection Procedure in the Context of a Report

General Principles

1. The procedure is established to ensure proper protection for whistleblowers and to ensure the proper application of the law and GDPR concerning their data.
2. Whistleblowers play an irreplaceable role in society, as their actions enable the identification of violations. The mechanisms outlined in this procedure aim to minimize the personal risk to the person reporting violations, including negative consequences from individuals or entities referred to in the report.
3. In this procedure, a whistleblower refers to a person reporting a violation in matters where they are not a party or participant, acting on behalf of the parties or participants of those proceedings. The whistleblower is also not a witness in the proceedings that are initiated as a result of their report.
4. The whistleblower's data must remain confidential and cannot be disclosed to the parties and participants in the proceedings without the explicit and unequivocal consent of the whistleblower.

Whistleblower Data Protection Principles

1. A separate register of cases reported by whistleblowers is created.
2. A whistleblower is any individual reporting violations who does not do so for personal legal interests.
3. The person receiving the report registers the request as a separate case, with a designation appropriate for whistleblower reports, to minimize the risk of disclosing the whistleblower's identity at further stages of the procedure.
4. The whistleblower **does not become a participant or party to the proceedings** initiated due to their report.
5. The whistleblower's data is not disclosed at the request of the parties or participants in the proceedings and is not included in the distribution lists of documents related to the proceedings.
6. No additional personal data is requested from the whistleblower beyond what they have provided in their report, even if it does not allow for clear identification.
7. As a result of a report from a whistleblower, an investigative procedure is initiated.
8. The party to the procedure initiated ex officio in connection with the report received from the whistleblower is the entity initiating the procedure.
9. The whistleblower's data is not disclosed in any documents related to the procedure.
10. The case number under which the report from the whistleblower has been registered may be referred to in the procedure, without disclosing the whistleblower's identity.
11. The whistleblower is informed of the progress and outcome of the procedure initiated as a result of their report, to the extent that the information constitutes public information within the scope of the registered case.

Ban on Retaliation Against the Whistleblower

1. The following actions are considered adverse treatment:
 - 1) Refusal to establish an employment relationship,
 - 2) Termination or dismissal without notice,
 - 3) Failure to conclude a fixed-term employment contract after the termination of a probationary period, failure to conclude a new fixed-term contract or a permanent employment contract after the termination of a fixed-term contract – if the employee had a reasonable expectation that such a contract would be concluded,
 - 4) Reduction of salary,
 - 5) Suspension of promotion or omission in promotion,
 - 6) Omission in awarding benefits other than salary related to work,
 - 7) Transfer of the employee to a lower position,
 - 8) Suspension from performing work-related or professional duties,
 - 9) Transfer of the employee's duties to another person,
 - 10) Unfavorable change in the workplace or work schedule,
 - 11) Negative performance evaluation or unfavorable opinion about the work,

12) Imposition or application of a disciplinary measure, including a financial penalty, or a measure of similar nature,

13) Suspension or omission from being selected for training to improve professional qualifications,

14) Unjustified referral for a medical examination, including psychiatric examinations, where separate regulations provide the possibility of referring an employee for such an examination,

15) Actions aimed at hindering future employment in a given sector or industry based on informal or formal sectoral or industry agreements

– unless the employer proves that they acted based on objective reasons.

2. Anyone who, contrary to the provisions of the law, takes retaliatory actions against a person who has made a report or public disclosure is subject to a fine, a penalty of restriction of liberty, or imprisonment for up to 2 years.

3. Anyone who, contrary to the provisions of the law, violates the obligation to maintain the confidentiality of the identity of the person who made the report is subject to a fine, a penalty of restriction of liberty, or imprisonment for up to 1 year.