



INFRACTION REPORTING REGULATION (WHISTLEBLOWING)

CONTEXT

Law No. 93/2021, of 20 December, established the Regime Geral de Proteção de Denunciantes de Infrações (General Regime for the Protection of Whistleblowers in Cases of Violations) (hereinafter “**RGPDI**”), transposing into the Portuguese legal system the Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

The aforementioned regime aims to **ensure the effective protection of the natural person who denounces** or publicly discloses an **infraction that has already been committed, is being committed or can reasonably be predicted**, as well as an attempt to conceal it, based on information obtained in the scope of your professional activity.

Within the scope of the aforementioned regulation, the obligation was established for entities that employ 50 or more employees, among others, to have an internal reporting channel, which must allow the safe presentation and follow-up of reports, in order to guarantee the thoroughness, integrity and conservation of the report, the confidentiality of the identity or anonymity of the whistleblowers and the confidentiality of the identity of third parties mentioned in the report, whilst simultaneously preventing access by unauthorised persons.

To this end, FHC Group adopts this Regulation, with the aim of establishing a set of internal rules and procedures for the reception, registration and processing of communications of internal reports of Infraction, in accordance with the legal and regulatory provisions applicable at all times, as well as the rules, principles and values contained in the *Code of Conduct and Compliance Policy and the Code of Good Conduct for the Prevention of Harassment at Work of FHC Group*.

It is also in pursuit of the above objectives that it will seek to guarantee the effectiveness, speed and suitability of the implemented reporting system, safeguarding the aforementioned principles, which include confidentiality and non-retaliation towards complainants, as well as third parties, including legal entities that assist or are linked to the whistleblower.

INTERNAL REPORTING CHANNELS

Communication of any reports under this Regulation and other applicable legislation will be made through the **Internal Reporting Channel of FHC Group** created for this purpose.

The reporting channel allows **FHC Group employees**, to submit reports anonymously or with the identification of the whistleblower.

The aforementioned communication of report may be made in writing or verbally as follows:

WRITTEN REPORT

By email

Via the email: denuncia@groupfhc.pt

By postal mail

The report must be sent in a closed envelope with the indication on the outside – **DO NOT OPEN / CONFIDENTIAL** – to the following address:

(Legal & Compliance Department)
(Pq. Industrial Manuel Lourenço Ferreira Lote 2,
3450-232 Mortágua)

VERBAL REPORT

By phone

To the number +351 231 927 510, which is available between 8:30am and 6pm on weekdays.

In an in-person meeting, at the request of the whistleblower

The in-person meeting only takes place in situations where it is requested by the whistleblower. For this purpose, prior appointment must be requested through any of the contacts mentioned above.

The report may be submitted using means of electronic authentication with a citizen card or digital mobile key, or using other means of electronic identification issued in other Member States and recognised for this purpose in accordance with article 6 of Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014, provided that, in any case, the means are available.

In any case, the identification of the Whistleblower is not mandatory.

In the Group, internal reporting channels are operated by the Legal & Compliance Department for the purposes of receiving, recording and following up on reports, and access by unauthorised persons is prohibited.

The Group ensures the **thoroughness, integrity and preservation of the report, the confidentiality of the identity or anonymity of the whistleblowers, the confidentiality of the identity of third parties mentioned in the report, as well as the absence of conflicts of interest in the performance of functions.**

SCOPE OF APPLICATION

This Regulation establishes the rules for receiving, recording and processing communications regarding infractions occurring within the Group;

This Regulation **does not preclude or replace the obligation of reporting** in the cases and under the terms in which criminal law and procedural law determines.

INFRACTION

The following are considered Infractions for the purposes of applying this Regulation:

1. The act or omission (intentional or negligent):
 - a. Contrary to rules contained in European Union acts referred to in the annex to Directive (EU) 2019/1937 of the European Parliament and of the Council,
 - b. Contrary to national rules that execute, transpose or comply with such acts or any other rules contained in legislative acts implementing or transposing them, including those that provide for crimes or offences, relating to the areas of:
 - i. Public procurement;
 - ii. Financial services, products and markets and prevention of money laundering and terrorism financing;
 - iii. Product safety and compliance;
 - iv. Transport safety;
 - v. Environmental protection;
 - vi. Radiation protection and nuclear safety;
 - vii. Food safety for human and animal consumption, animal health and animal welfare;
 - viii. Public health;
 - ix. Consumer protection;
 - x. Protection of privacy and personal data and security of network and information systems;
 - xi. Prevention of corruption and related infractions.
 - c. Harmful to the financial interests of the European Union;
 - d. Contrary to the rules of the internal market (free movement of goods, people, services and capital) including competition and state aid rules, as well as corporate taxation rules;
 - e. That contradicts the purpose of the rules or standards covered by paragraphs a) to c).
2. Violent, especially violent and highly organised crime, as well as the following crimes: drug trafficking, terrorist offenses, related to a terrorist group, terrorist activities and terrorist financing; trafficking of weapons and influence peddling; undue receipt of advantage; corruption; embezzlement; economic participation in business; money laundering; criminal association; child pornography and child procurement;

Counterfeiting, use and acquisition of counterfeit cards or other payment devices and respective preparatory acts, acquisition of cards or other payment devices obtained through computer crime, damage to programs or other computer data and computer sabotage, and also illegitimate access to a computer system, human trafficking; counterfeiting of currency and securities equivalent to currency; pimping; contraband; trafficking and vitiation of stolen vehicles.

3. Violation of the *Code of Conduct and Compliance Policy* of FHC Group.

4. Violation of the *Code of Good Conduct for the Prevention of Harassment at Work* of FHC Group.

CONTENTS OF THE REPORT

All **infractions that have already been committed, are being committed or whose occurrence can reasonably be predicted, as well as attempts to conceal such infractions**, may be subject to reporting.

WHISTLEBLOWER

This regulation is addressed to **whistleblowers**, i.e., the natural person who reports an **infraction** included in the definition best described in **Point 4.** of this document, based on information obtained within the scope of their professional activity (in the broad sense), regardless of the nature or sector of that activity.

The definition of Whistleblowers includes:

- i. Employees;
- ii. Service providers, contractors, subcontractors and suppliers, as well as any people acting under their direction or supervision;
- iii. Holders of shareholdings, members of public administration and supervisory bodies, and
- iv. Volunteers and interns (paid or unpaid)

The fact that the report or public disclosure was **obtained within the scope of a professional relationship that has since ceased, or during the recruitment process or during another phase of pre-contractual negotiation of an established or not established professional relationship does not preclude the consideration** of a natural person **as a whistleblower**.

PROTECTION CONDITIONS

To benefit from the protection afforded by this regulation and RGPDI, the whistleblower or anonymous whistleblower who is subsequently identified must be:

- i. In good faith and
- ii. With serious grounds for believing that the information is, at the time of reporting or public disclosure, true

The **protection** afforded to the whistleblower **is extendable**, with due adaptations, to:

- a. Natural person who assists the whistleblower in the reporting procedure and whose assistance must be confidential, including union representatives or employees' representatives;
- b. Third party who is linked to the whistleblower, namely a work colleague or family member, and may be the target of retaliation in a professional context; and
- c. Legal persons or similar entities that are owned or controlled by the whistleblower, for which the whistleblower works or with which he is in any way connected in a professional context.

RIGHTS AND GUARANTEES

Reports and whistleblowers covered by this policy benefit from:

- **Confidentiality** regarding the identity of the whistleblower, as well as any information that allows their identity to be inferred, with restricted access to people responsible for receiving and following up on reports, and can only be disclosed as a result of legal obligation or court decision;
- **Subjection to the rules for collecting and processing personal data**, with personal data that are clearly not relevant to the processing of the report not being kept;
- **Preservation of the report** for at least 5 years and, regardless of the period, during the pendency of judicial or administrative proceedings relating to the report;
- **Prohibition of carrying out acts of retaliation** against the whistleblower, and threats and attempted acts and omissions are included in the prohibition. In turn, **when committed up to 2 years after the report:**

a. The following acts are presumed to be motivated by the report:

- i. Changes in working conditions, such as functions, hours, place of work or remuneration, non-promotion of the employee or failure to fulfil work duties;
- ii. Suspension of employment contract;
- iii. Negative performance evaluation or negative reference for employment purposes;
- iv. Non-conversion of a fixed-term employment contract into an open-ended contract, whenever the employee had legitimate expectations of such conversion;
- v. Non-renewal of a fixed-term employment contract;
- vi. Dismissal;
- vii. Inclusion on a list, based on a sector-wide agreement, which may make it impossible for the whistleblower to find a job in the sector or industry in question in the future;
- viii. Resolution of a supply or service provision contract;
- ix. Revocation of an act or termination of an administrative contract, as defined under the terms of the Administrative Procedure Code.

b. Any disciplinary sanction applied to the whistleblower is presumed abusive.

• Legal protection and witness protection measures in criminal proceedings

• Effective judicial protection, with the whistleblower enjoying all guarantees of access to the courts to defend their legally protected rights and interests

• Exemption from liability of the whistleblower in disciplinary, civil, administrative and criminal matters. The whistleblower cannot, therefore, be held responsible for the reporting or public disclosure of an infraction made in accordance with this Regulation, nor can they be held responsible for obtaining or accessing the information that motivates the reporting or public disclosure, except if such obtainment or access constitutes a crime.

It should be noted that the conduct of those who report signs of irregular practices or infractions, with manifest falsehood or bad faith, as well as disrespect for the duty of confidentiality associated with the report, will constitute an infraction susceptible of disciplinary sanction, as applicable, or penalty/contractual resolution, appropriate and proportional to the infraction, without prejudice to any possible civil and/or criminal liability that may arise for the author of the said conduct.

• Unavailability of rights, and the aforementioned rights and guarantees cannot be subject to waiver or limitation by agreement and, in any case, contractual provisions that limit or prevent the presentation or follow-up of reports or public disclosure of infractions are null and void under the terms of the current law.

TYPES OF REPORT AND PRECEDENCE OF INTERNAL REPORTS OVER OTHERS

For the purposes set out in this Regulation, the following are considered:

- a. **Internal report** – verbal or written communication prepared in accordance with the terms set out in this regulation through the internal channels of FHC Group;
- b. **External report** – verbal or written communication of information about violations to the competent authorities;
- c. **Public disclosure** – making information about infractions available in the public sphere.

A whistleblower who submits a report of an infraction to the competent European Union institutions, bodies or organisations benefits from the protection established in this law under the same conditions as a whistleblower who presents an external report.

Considering the existence of an internal reporting channel, the **whistleblower can only resort to external reporting channels or public disclosure in the cases provided for in no. 2 and 3 of article 7 of RGPDI, namely when:**

- There are reasonable grounds to believe that the infraction may constitute an imminent or manifest danger to the public interest, that the infraction cannot be effectively known or resolved internally and/or by the competent authorities, given the specific circumstances of the case, or that there is a risk of retaliation, including in the event of internal and/or external reporting;
- There has been an initial internal report and subsequently an external report, or directly an external report, without appropriate measures having been adopted within the deadlines provided for by law; or
- The infraction constitutes a crime or offence punishable by a fine exceeding €50,000.

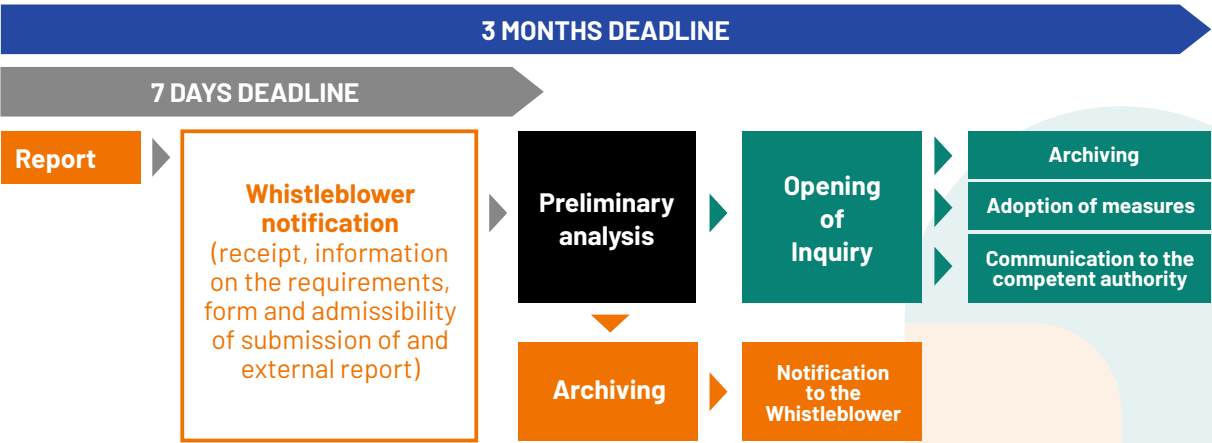
A whistleblower who submits an external report without observing the above-mentioned rules of precedence benefits from the protection afforded if, at the time of submission, they were unaware of such rules.

A Whistleblower who, outside of legally stipulated cases, **publicly discloses an infraction or makes it known to the media or journalists, does not benefit from the protection afforded by law**, and can only benefit from the applicable rules on journalistic secrecy and source protection.

RECEIVING, RECORDING AND PROCESSING INFRACTION REPORTS

- Communication of any reports under and in accordance with **Point 2** of this Regulation will be made through the internal reporting channels, better referred to in Point 2 of this Regulation.
- Communications received by the Legal & Compliance Department are subject to registration and must contain:
 - a. Unique identification number;
 - b. Date of receipt;
 - c. Brief description of the nature of the communication and its content;
 - d. Measures adopted regarding communication;
 - e. Process status.
- The record of communications received will be kept permanently updated, only retaining data that are relevant to the processing of the report.
- After proper receipt of the report, the team:
 - Will notify the whistleblower (not in the case of an anonymous report) **within 7 days** acknowledging receipt of the report and providing information, in a clear and accessible way, about the requirements, form and admissibility of submitting an external report;
 - Will carry out a preliminary analysis to verify the fulfilment of the objective and subjective assumptions for the application of the RGPDI, with the aim of verifying the level of credibility of the communication, the irregular and/or illicit nature of the reported behaviour, the feasibility of the investigation and the identification of people involved or who have knowledge of relevant facts, and who, for this reason, must be questioned.
- The preliminary analysis report will conclude if the investigation goes forward or is archived
 - If the report is considered to be unfounded, abusive, containing fraudulent information, or to have been made with the intention of harming others, without conviction of the veracity of the same facts, it will be archived and the summary of the reasons communicated to the author of the communication (provided other than anonymous), and the competent statistical processing and information from said archiving is carried out.
 - On the other hand, if the above assumptions are considered to be verified and that the communication is consistent, plausible and credible and that the facts reported are likely to substantiate the commission of an offense under the terms set out in this Regulation, an investigation process will be initiated, conducted and supervised by the competent entity, depending on the topic reported.
- At any stage, the team responsible for analysing and following up the communication of reports may, whenever it deems necessary, be assisted by other people internal or external to FHC Group, namely auditors or experts to assist the investigation, taking into account the matters in question, which will be specially and exceptionally authorised. These people are also obliged to comply with confidentiality duties as well as other legally applicable guarantees.

- Whenever it is considered necessary to comply with the provisions set out in this Regulation, any person whose questioning is relevant to the investigation of the report may be questioned.
- Once the investigation stage provided for in the previous numbers has been concluded, a report will be prepared with the analysis carried out on the complaint, a description of the internal acts performed, the facts discovered during the investigation and the respective duly substantiated decision will be presented, as well as proof of notification to the whistleblower. The aforementioned report will also indicate any measures adopted or to be adopted in order to mitigate the identified risk and prevent the recurrence of the reported infractions, namely disciplinary, criminal or other applicable processing, as well as promoting the cessation of the reported infraction.
- If deemed necessary and appropriate, taking into account its legal requirements, the infraction will be duly communicated to the legally competent authorities.
- In any case, **the Whistleblower will be notified within 3 months** from the date of receipt of the report about the measures planned or adopted to follow up on the report and the respective reasons.
- The whistleblower may request, at any time, that the obliged entities communicate the result of the analysis carried out on the complaint within 15 days after conclusion.



DURATION AND REVIEW

This Regulation comes into force on the day following its publication.

This policy will be reviewed every three years or whenever it is justified to review its elements in order to ensure that it remains updated and adequate to meet its objectives.

The FHC Group may, without prejudice to the above, review the Regulation whenever it deems necessary.