

INTERNAL PROCEDURE FOR NOTIFICATIONS AND FOLLOW-UP
in
SEST-LUVE-POLSKA SP. Z O.O.

1. ADMISSION

As part of the new "Reporting Procedure for Violations of the Law and the Code of Ethics in the LU-VE Group" established at the group level on the basis of and in accordance with 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 (hereinafter referred to as the "Directive"), a new single reporting IT channel has been introduced applicable to each of the LU-VE Group companies, and thus also to SEST-LUVE-POLSKA Sp. z o.o. (hereinafter referred to as the "Company"). As a result of the introduction of the new reporting channel as well as the entry into force in Poland of the Act of 14 June 2024 on the protection of whistleblowers (hereinafter referred to as the "Act") in relation to reports regarding violations of the law and/or procedural and regulatory regulations and/or the LU-VE Group Code of Ethics, this document establishes a new internal procedure of the Company (hereinafter referred to as the "Procedure") aimed at regulating the functioning of the new internal reporting channel breaches, guaranteeing the confidentiality of the reporting procedure, the identity of the reporting person and any other third party, the proper protection of the reporting person's personal data and that of third parties, the proper application of the provisions concerning their data of the provisions of the Code of Administrative Procedure, Regulation (EU) 2016/679 on the protection of data ("GDPR") and the Act of 10 May 2018 on the protection of personal data. The mechanisms set out in the Procedure are aimed at mitigating the personal risk of the person reporting irregularities or violations, including negative consequences on the part of the persons and entities to whom the report referred, and in particular to ensure the protection of the reporting person against all forms of discrimination and retaliation as a result of the report.

2. DEFINITIONS

The terms and definitions in this Procedure have the meanings indicated below, and it is understood that the same meaning applies in both the singular and the plural.

"Whistleblower Act": means the Act of 14 June 2024 on the protection of whistleblowers.

"EU Directive 2019/1937": means 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.

"GDPR Regulations" means Regulation (EU) 2016/679 on Data Protection and the Act of 10 May 2018 on the Protection of Personal Data;

"LU-VE Group or Group": means SEST-LUVE-POLSKA sp. z o.o. and all Group Companies controlled directly or indirectly by LU-VE SpA;

"LU-VE Group Code of Ethics": means the code of Ethics adopted by the LU-VE Group;

"Whistleblower" or "Reporter" or "Reporting Entity" or "Reporting Party": means a person who has become aware of a breach of the LU-VE Group Code of Ethics or other legal provisions provided for by the Directive or the Act in a work-related context and reports such breaches to the relevant person;

"Person associated with the whistleblower": means a natural person who may experience retaliation, including a colleague or a person closest to the whistleblower within the meaning of Article 115, § 11, of the Act of 6, June 1997 – the Penal Code;

"Reporting Person": means a natural person, legal person or organizational unit without legal personality, identified in a report or public disclosure as a person who has committed an infringement of the law, or as a person with whom the person who has committed an infringement of the law is associated;

"Competent Person": means an internal organizational unit or a person within the organizational structure of a legal entity, authorized by the legal entity to receive internal Reports, to evaluate Reports and to take follow-up actions to ensure impartiality in action;

"Work-related context": means past, present, or future activities related to the performance of work on the basis of an employment relationship or other legal relationship giving rise to the provision of work or services or functions in or for a legal entity, or service in a legal entity, in which information has been obtained about a violation of the law and there is a possibility of experiencing retaliation;

" Information on a violation of the Law": information, including reasonable suspicion of an existing or potential violation of the law, which has occurred or is likely to occur in a legal entity in which the whistleblower participated in the recruitment process or other pre-contractual negotiations, works or worked for another legal entity with which the whistleblower maintains or has maintained contact in a work-related context; or information regarding an attempt to conceal such a violation of the law;

"Report": an oral or written internal or external report, submitted in accordance with the pronouncements set out in the Act and this Procedure;

"Internal Report" means written or oral communication of breaches through internal reporting channels set up by the Company.

"External report": A written or oral communication of a breach of law to the Ombudsman or a public authority.

"Public disclosure": making information about violations available to the public through the press or electronic means, or otherwise through means of dissemination that may reach a large number of people.

"Report made with bad faith or gross negligence": A report that appears to be devoid of material evidence and carried out with full knowledge of the non-existence of the infringement or non-compliance and therefore with intent or gross negligence in assessing the factual elements of the case.

"Follow-up": an action taken by the Company to assess the accuracy of the information contained in the report and to prevent the violation of the law that is the subject of the report, in particular through an investigation, initiation of an inspection, prosecution, action taken to recover funds or closure of the procedure as part of the internal procedure for reporting breaches of law and taking follow-up actions.

"Retaliation": a direct or indirect act or omission in a work-related context that is caused by a report or public disclosure and that violates or is likely to violate the rights of the whistleblower or causes or is likely to cause unjustified harm to the whistleblower, including the unjustified initiation of proceedings against the whistleblower;

'Unverifiable circumstantial evidence': refers to the hypothesis that it is not possible, on the basis of the available investigative tools, to carry out a check on the credibility of the report.

'Verifiable circumstantial evidence': refers to a hypothesis against which it is possible in practice, on the basis of the available investigative tools, to carry out a review of the content of the report.

"Sanctions regime": means the system of sanctions to be applied, on the one hand, against persons who commit reportable violations and, on the other hand, against persons who commit violations of the Internal Process.

"Internal Process Violation": a violation, misdemeanor, circumvention, incomplete or partial application of the Internal Process committed by individuals who engage in retaliatory and/or discriminatory action, directly or indirectly, against the Reporting Subject or by persons who obstruct and/or attempt to obstruct the analysis of the report or by individuals who violate measures to protect the confidentiality of data or by persons who fail to verify and the reports received, despite their obligation.

3. SCOPE OF APPLICATION OF THE PROCEDURE

3.1. Subject of the application

Notification, in accordance with the Act of 14 June 2024. Whistleblower Protection Regulations must relate to breaches of law and/or the LU-VE Group Code of Ethics that the person becomes aware of in connection with their functions or in a work-related context.

A violation of the law is an act or omission that is unlawful or aimed at circumventing the law regarding:

- 1) Corruption;
- 2) Procurement;
- 3) financial services, products and markets;
- 4) counteracting money laundering and terrorist financing;
- 5) product safety and compliance;
- 6) transport safety;
- 7) Environmental;
- 8) radiation protection and nuclear safety;
- 9) food and feed safety;
- 10) animal health and welfare;
- 11) public health;
- 12) consumer protection;
- 13) protection of privacy and personal data;
- 14) security of networks and ICT systems;

- 15) the financial interests of the State Treasury of the Republic of Poland, local government units and the European Union;
- 16) the internal market of the European Union, including public law rules on competition and state aid, and corporate taxation;
- 17) constitutional freedoms and rights of man and citizen – in the relations between individuals and public authorities and not related to the areas indicated in points 1-16;

The procedure does not apply to information covered by:

- 1) regulations on the protection of classified information and other information that is not subject to disclosure by virtue of the provisions of generally applicable law for reasons of national security;
- 2) professional secrecy of medical and legal professions;
- 3) the secrecy of judges' deliberations;
- 4) criminal proceedings – with regard to the secrecy of preparatory proceedings and the secrecy of court hearings conducted in camera.

The procedure also does not apply to violations of the law in the field of procurement in the fields of defence and security within the meaning of the Public Procurement Law or from situations related to the performance by special services of statutory tasks aimed at ensuring national security.

However, the subject of the Notification may be illegal activities that have not yet been carried out, but for which the Reporting Party has reasonable grounds to believe that they may take place in the presence of certain elements.

3.2. Reporting entity

A whistleblower can be:

- 1) employee
- 2) temporary worker
- 3) a person performing work on a basis other than an employment relationship, including on the basis of a civil law contract;
- 4) proxy;
- 5) partner;
- 6) member of the company's governing body;
- 7) a person performing work under the supervision and direction of a contractor, subcontractor or supplier;
- 8) candidate, intern, volunteer, apprentice;

The procedure also applies to anonymous reports, provided they are adequately substantiated, i.e. they are able to extract facts and situations by relating them to specific contexts.

In any case, the Whistleblower is subject to the protection set out in the Whistleblower Act and in this Procedure, provided that:

- (i) it is a person on the list referred to in point 3.2 above;
- (ii) information about reported breaches falls within the scope provided for in the Whistleblower Act and/or in this Procedure (point 3.1 above);
- (iii) The whistleblower, at the time of the Report or public disclosure, had reasonable grounds to believe that the information being the subject of the Report or public disclosure was true at the time the Report or public disclosure was made and that it was a violation of the law.
- (iv) The Report has been made in accordance with the procedures provided for by the channels provided for in this Procedure (External Reporting is made under the conditions set out in the Whistleblower Protection Act and by the Ombudsman).

It is important to note that the reasons that led an individual to make a report, external report, or public disclosure do not affect the Reporting Party's duty to protect.

4. PROCESS DESCRIPTION

4.1 Methods of filing a report

Whistleblowers who become aware of any conduct or omission from among those described in this Procedure may make a Report:

- 1- in writing via the IT Portal** available at the address "<https://whistleblowing.luvegroup.com/pl/>", after prior reading and acceptance of the "Privacy Policy" and this Procedure on the terms set out in the Portal;
- 2- in writing in paper form** to the following address: "*Whistleblowing, for your kind attention the HR department or the Legal Department of SEST-LUVE-POLSKA sp. z o. o. Ul. Wyczółkowskiego 30, 44-109 Gliwice, Poland*".
- 3- Verbally**, by sending an email to zgloszenia@luvegroup.com address and requesting a face-to-face meeting. An oral application may be made during a face-to-face meeting organized within 14 days from the date of receipt of such a request. An oral report is documented by recording the conversation in a formal protocol, reproducing its exact course, drawn up by a competent person and signed by the Whistleblower, or documented with the whistleblower's consent in the form of a recording of the conversation, allowing it to be searched. The whistleblower can check, correct and approve the minutes of the meeting by signing it.

Information about a violation of the law may in any case also be reported to the Commissioner for Human Rights or a public authority, bypassing the internal reporting procedure.

If a Report is submitted in a manner other than that provided for by the channels regulated by this Procedure, it will be necessary to clearly indicate that it is a Report for which the Whistleblower intends to keep his or her identity confidential and therefore benefit from the protection provided by applicable laws.

In the event that the Whistleblower makes a report outside the indicated reporting channels, the Company's Personnel and/or any person who receives the Report by external and/or internal mail, e-mail, or by any

other means is obliged to forward it within three days of receipt, via the IT Portal, to the competent Person, at the same time notifying the Reporting Party thereof, as far as possible. Upon request, the Competent Person will be provided with the original of the Application in paper form along with all supporting documentation.

The recipient of the Report, if he or she is not a Competent Person, may not keep a copy of the Submission and must refrain from taking independent initiative and/or in-depth analysis. Failure to submit a received Report constitutes a Breach of Internal Process and may result in appropriate sanctions, in accordance with the sanctions regime provided for in this Procedure.

4.2 Confidentiality in Reporting Management

SEST-LUVE-POLSKA sp. z o.o. guarantees that the internal reporting procedure provided by the Whistleblower through the channels indicated in this procedure, and the processing of personal data related to the receipt of reports, preventing unauthorized persons from gaining access to the information covered by the report and ensure the protection of the confidentiality of the identity of the Whistleblower, the person to whom the report relates, and the third party indicated in the report. Confidentiality applies to information from which the identity of such persons can be directly or indirectly identified.

The confidentiality of the content of the Report and related documentation is also guaranteed, as well as the identity of not only the person making the report, but also the person involved and other persons named in the report, as well as the person assisting in making the report.

Third parties do not have access to the identity of the Reporting Party, except in the case where the Reporting Party himself or herself expressly consents to it. This does not apply where disclosure is a necessary and proportionate legal obligation in connection with investigations conducted by public authorities or preparatory or judicial proceedings conducted by courts. **To this end, the rights of defence of the person concerned are guaranteed.**

Prior to making the disclosure referred to in paragraph 2, the competent public authority or competent court shall notify the Whistleblower thereof by sending an explanation in paper or electronic form of the reasons for the disclosure of their personal data, unless such notification jeopardises the investigation, preparatory or judicial proceedings.

A breach of the obligation of secrecy may result in initiatives, including disciplinary measures, in accordance with the sanction regime provided for in this Procedure.

Personal data that are clearly not useful for the analysis of a specific Request and follow-up are not subject to processing and, in the event of accidental collection, are deleted immediately, at the latest within 14 days from the moment it is established that they are not relevant.

The personal data processed in connection with the receipt of a report or follow-up and the documents related to that report are stored by the legal entity for a period of 3 years after the end of the calendar year

in which the external report was forwarded to the public authority competent to take follow-up action or the follow-up action was completed, or after the end of the proceedings initiated by these actions.

4.3 Prohibition of retaliation or discrimination against the Whistleblower and protection measures

The Whistleblower, as well as the person assisting in making the report and the person associated with the Whistleblower, may not be subject to retaliation, attempts or threats to take such action.

If the work has been, is or is to be performed on the basis of an employment relationship, no retaliatory action may be taken against the Whistleblower, consisting in particular in:

- a) refusal to establish an employment relationship;
- b) termination without notice of employment;
- c) failure to conclude an employment contract for a definite or indefinite period after the termination of an employment contract for a trial period, or failure to conclude another fixed-term or indefinite employment contract after the termination of a fixed-term contract – if the whistleblower had a reasonable expectation that such an agreement would be concluded with him;
- d) reduction of remuneration for work;
- e) suspension of promotion or omission from promotion;
- f) omission of work-related benefits other than remuneration or reduction of the amount of these benefits;
- g) transfer to a lower position;
- h) suspension from the performance of employee or official duties;
- i) transferring the current duties of a whistleblower to another employee;
- j) an unfavourable change in the place of work or the distribution of working time;
- k) negative evaluation of work performance or a negative opinion about work;
- l) imposing or imposing a disciplinary measure, including a financial penalty, or a measure of a similar nature;
- m) coercion, intimidation or exclusion;
- n) mobbing;
- o) Discrimination;
- p) adverse or unfair treatment;
- q) suspension of participation or omission from selection for participation in training to improve professional qualifications;
- r) unjustified referral for medical examinations, including psychiatric examinations, unless separate regulations provide for the possibility of referring the employee for such examinations;
- s) action aimed at making it difficult to find a job in a given sector or industry in the future on the basis of an informal or formal sectoral or industry agreement;
- t) causing a financial loss, including an economic loss, or loss of income;

Retaliation due to reporting or public disclosure is also considered to be an attempt or threat to apply a measure specified in causing other non-material damage, including infringement of personal rights, in particular the whistleblower's reputation.

If the work or services have been, are or are to be provided on the basis of a legal relationship other than an employment relationship constituting the basis for the provision of work or services or the performance of a function or service, the making of a report or public disclosure may not be the basis for retaliation or an attempt or threat of retaliation, including in particular:

- 1) termination of a contract to which the whistleblower is a party, in particular concerning the sale or delivery of goods or provision of services, withdrawal from such a contract or termination without notice;
- 2) imposing an obligation or refusal to grant, limit or withdraw an entitlement, in particular a concession, permit or relief;

A whistleblower against whom retaliatory actions have been committed is entitled to compensation in an amount not lower than the average monthly salary in the national economy in the previous year, announced for retirement purposes in the Official Journal of the Republic of Poland "Monitor Polski" by the President of the Central Statistical Office, or the right to compensation.

A person who has suffered damage due to a deliberate reporting or public disclosure of false information by a Whistleblower is entitled to compensation or redress for infringement of personal rights from the Whistleblower who made such a report or public disclosure.

Making a report or public disclosure may not give rise to liability, including disciplinary liability or liability for damage due to violation of the rights of others or obligations set out in the law, in particular with regard to defamation, infringement of personal rights, copyrights, protection of personal data and the obligation to maintain secrecy, including trade secrets, provided that the Whistleblower had reasonable grounds to believe, that the notification or public disclosure is necessary to disclose a violation of the law under the Act.

Provisions of employment contracts and other acts on the basis of which the employment relationship is established or which shape the rights and obligations of the parties to the employment relationship, or provisions of contracts and other acts on the basis of which work or services are provided, goods are delivered or sold are made, to the extent that they directly or indirectly exclude or limit the right to make a report or public disclosure or provide for the use of retaliatory measures, are invalid.

4.4 Competent Individuals

The Persons Competent to receive internal Reports, to register Reports on the IT Portal in the section concerning SEST-LUVE-Polska Sp. z o.o., evaluating reports and to initiate follow-up actions are employees of the HR department and the Legal Department of SEST-LUVE-POLSKA Sp. z o.o. These are persons with written authorization from SEST-LUVE-Polska Sp. z o.o., who have been obliged to maintain confidentiality regarding the information and personal data obtained as part of the receipt and verification of internal reports, and to take follow-up actions, also after the termination of the employment relationship or other legal relationship under which they performed this work.

Reports for HR employees will be directed to the Legal department, and reports for Legal employees will be directed to the HR department.

4.5 Registration

All Notifications, regardless of the method of receipt, are registered by the Competent Persons on the Portal in the Register of Notifications in the section on SEST-LUVE-Polska Sp. z o.o., which is a collective *database* of relevant data concerning Reports and their management, and also ensures the archiving of all attached documentation, including those generated or obtained in the course of analytical or follow-up activities.

The register of internal reports includes:

- 1) application number;
- 2) the subject matter of the infringement;
- 3) personal data of the Whistleblower and the person to whom the report relates, necessary to identify these persons;
- 4) the Whistleblower's contact address;
- 5) the date of filing the application;
- 6) information on the follow-up actions taken;
- 7) the date of completion of the case.

Upon registration of a Report, the Competent Person performs a preliminary review of the Request in order to limit further processing to Reports within the scope of this Procedure only.

Each Report is assigned a personal Code, communicated to the Whistleblower or via the portal or by the Competent Person, which allows each Reporting Person to check the status of the Report's processing. The code referred to above will also be automatically registered in the Register of Applications, in the section concerning SEST-LUVE-POLSKA sp. z o.o.

Upon receipt of the Report on the Portal, the Competent Person will issue a confirmation of receipt of the internal report to the Whistleblower within 7 days from the date of its receipt, unless the Whistleblower has not provided a contact address to which the confirmation should be sent.

In the case of an oral and/or paper Submission, an acknowledgment of receipt of the Submission will be issued within 7 days from the date of the Submission (only if the Reporting Party has provided an email address or correspondence address for contact) together with a personal Code associated with the Submission that will allow it to monitor the status of that Submission on the Portal, by entering a personal code in the appropriate field on the home page of the Portal.

4.6 Initial analysis of the entry

The Competent Person makes an initial assessment, also on the basis of the analysis of the documentation, whether the necessary preconditions exist for the initiation of the next stage of the investigation.

If necessary, the Competent Person may request further clarification or information from the Reporting Entity, and the Reporting Entity must respond to this request within 15 calendar days of receipt.

If the Applicant has made a Report and provided an e-mail address or a correspondence address, they will receive a notification of receipt of the report and/or request for clarification and/or additional information from the Competent Person to the address provided.

In the absence of an e-mail address or a mailing address, no notification will be possible and no verification on the Portal will be possible, except for Submissions submitted through the Portal itself, to which it will be necessary to periodically connect in each case in order to obtain information for yourself of any requests for clarifications and/or information.

The Competent Person, on the basis of the documents received, as well as taking into account the results of the preliminary analyses carried out, decrees the commencement of the investigation stage and the analysis of non-compliance with the company's regulations and/or procedures and legal regulations.

The following reports are archived:

- manifestly unfounded;
- containing facts that have already been the subject of specific investigative measures in the past and which have been closed where the prior checks carried out have not revealed new information that would require further verification activities;
- 'verifiable indicia of evidence' for which, in the light of the results of the prior checks performed, there are no elements that would justify the initiation of a further stage of the investigation;
- "unverifiable circumstantial evidence" for which, in the light of the results of the preliminary checks, it is not possible, on the basis of the available investigative tools, to carry out further checks on the veracity and/or validity of the Report.

4.7 Detailed Information

a. Objectives and features of the investigation

The purpose of the investigative activities is to continue, within the limits of the tools at the disposal of the Competent Person, to follow up with due diligence through investigations, analyses and detailed assessments of the merits of the facts reported, as well as to provide any guidance on the adoption of the necessary corrective actions in the areas and business processes that may be affected.

The investigation aims to reconstruct, on the basis of official documentation and information, as well as the documents made available, the management and decision-making processes used.

b. Conducting an investigation

The Competent Person shall ensure that the investigation is carried out with due diligence, including by obtaining the necessary information and using, where appropriate, external experts to ensure the confidentiality of the whistleblower's identity.

For example, preliminary steps are carried out by using the following steps:

- obtaining company data and/or documents useful for the purpose of the investigation;
- obtaining an external database;
- use of open source;
- collection of evidence obtained from the company's structures;
- where applicable, obtaining a statement made by persons informed of the facts.

In order to obtain information, the Competent Person has the right to launch so-called "random" audits with respect to the reported facts, to carry out detailed investigations also directly, for example by formally summoning and interviewing the Reporting Party (in case it is not anonymous), the Reporting Party

and/or other parties involved, as well as to request the aforementioned parties to produce information reports and/or documents.

At the end of the investigation, the Competent Person shall draw up a report which shall include: the activities carried out, the results thereof, as well as the results of any previous investigations carried out in relation to the same facts or facts similar to those covered by the report; an assessment of the facts presented to a reasonable degree or not, together with any guidance on how to take necessary corrective action in the business areas and processes that may be affected by the Report.

If, as a result of the investigation, it appears that the facts under investigation may be relevant from a disciplinary point of view or, in any case, labour law, the results of the final report containing the results of the activities may also be brought to the attention of the Board of Directors and/or the Head *of the HR Department* for appropriate assessment.

Similarly, if the investigation reveals possible cases of criminal or civil liability, the results of the investigation may be referred to the Board of Directors and the Legal Department and the LU-VE Group for assessment in order to decide on further proceedings.

Once the investigation is complete, the Competent Person decides to close the case.

c. Monitoring corrective actions

If corrective action is needed during the investigation phase, the areas of the company to be verified will be responsible for defining an action plan to address the critical issues identified.

The Competent Person shall monitor, as far as possible with the support of the *LU-VE Group's Internal Audit Division* , the status of the implementation by providing information in the periodic reports referred to in the following paragraph.

d. Deadline for presenting the results of the report

The Competent Person shall present the results of the Report to the Whistleblower within three months from the date of acknowledgment of receipt or, in the absence of such notification, within three months from the expiry of the seven-day period from the submission of the Report.

4.8 Information to the Board

The HR Department of SEST-LUVE-POLSKA Sp. z o.o. provides *the Managing Directors with information on the disciplinary measures taken in connection with the investigation carried out on the Reports on an ongoing basis.*

Every six months, the Local Managing Director provides the entire Board and Supervisory Board with a summary of the number and type of Submissions received and the main initiatives taken in relation to the reporting processes that have already been completed.

4.9 Record keeping

The information obtained and any other personal data are processed - also as part of the Portal - in accordance with Regulation (EU) 2016/679 on data protection and the Act of 10 May 2028 on the protection of personal data, with 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 and the Act of 14 June 2024 on the protection of whistleblowers.

In order to ensure the management and traceability of the Reports and the resulting activities, the Competent Person shall, as far as possible, ensure that all information relating to the Reports is prepared and kept up to date and ensures, through the Portal and its functions, that all related supporting documentation is archived for the time necessary to process the Request. Personal data and other information in the register of internal reports are stored for a period of 3 years after the end of the calendar year in which the follow-up actions were completed or after the end of the proceedings initiated by these actions.

The originals of the requests received in paper form or via an appointment request or otherwise are kept by the Competent Person, as well as by posting them on the Portal in the appropriate section, also in a special protected environment.

5. SANCTIONS REGIME

5.1 Function of the Sanctions System

The definition of the sanction regime is intended to ensure the effectiveness of the overall internal procedure and the protection of the Whistleblower, while ensuring a climate of transparent and constructive cooperation, also in order to avoid instrumentalisation of Reports that would undermine their credibility.

In this case, the Sanctions Regime is aimed at all entities that commit certain Internal Process Violations.

Specifically, with respect to this Process, by way of example, the following actions constitute a Breach of the Internal Process:

- conduct that hinders or has attempted to obstruct the preparation of a Report;
- fail to submit/register a Submission and/or take independent analysis initiatives, or by retaining a copy of the Submission and misusing it;
- retaliatory and/or discriminatory behaviour, direct or indirect, towards the person making the report or other persons associated with the reporting person for reasons directly or indirectly related to the *report itself*;
- breach of the measures put in place to protect the Whistleblower with regard to their right to confidentiality;
- failure to establish whistleblowing channels and to adopt or comply with the reporting and management procedures;
- failure to verify and analyse the reports received;

- establishing, also by a judgment of the first instance, the Whistleblower's liability for crimes of defamation or slander or for making false testimony or his civil liability, for the same reason, in cases of intentional or gross negligence.

Any conduct in violation of the above provisions, if found, constitutes:

- in the case of employees (including managerial staff) – breach of contract with respect to obligations arising from the employment relationship;
- in the case of Management Board Members, failure to comply with the obligations imposed on them by law and/or the Articles of Association;
- in the case of Third Parties, a possible serious breach of contract which in the most serious cases legitimizes the termination of the contract.

This is without prejudice to the possibility of taking steps to obtain compensation for any damages suffered as a result of the above-mentioned proceedings committed in violation of this Process.

This system of sanctions is divided into sub-points, each of which refers to a specific category to which the person who has committed the violation of the internal process belongs.

Therefore, the proceedings for imposing disciplinary sanctions take into account the specificity resulting from the qualifications of the person against whom the proceedings are pending.

The application of disciplinary and/or contractual and/or compensatory sanctions is independent of the outcome of any proceedings that may arise against the person concerned, as this internal process is only intended to regulate the proper reporting process and the protection of the Whistleblower.

5.2 Sanctions regime for workers

Violations of the Internal Procedure are punishable disciplinary offences. Disciplinary measures are imposed on employees who do not have the status of a manager in accordance with the Labor Code.

Disciplinary measures that may be imposed may include:

1. written warnings or reprimands;
3. Release with or without notice.

Violations of the Internal Process will be subject to sanctions commensurate with the level of responsibility and autonomy of the employee, the intentionality of the conduct, his seriousness, which means both the significance of the violated duties and the consequences to which the Company may reasonably be exposed.

In the case of committing several violations of the Internal Procedure by means of a single act, punishable by measures of varying intensity, the most serious sanction is applied.

Disciplinary measures taken in light of this sanction regime will also be taken into account when assessing recidivism in the event of disciplinary proceedings concerning conduct of a different nature and vice versa.

The person responsible for the specific application of the disciplinary measures described above against non-managerial employees is the Head of Human Resources at SEST-LUVE-Polska Sp. z o.o.

In each case, the Management Board of SEST-LUVE-POLSKA sp. z o.o. receives timely information about all acts and measures related to the disciplinary proceedings concerning the violations subject to sanctions.

5.3 Sanction regime for Managers/Managers

As is well known, the managerial relationship is characterized by an extremely fiduciary character between the Employee and the Employer.

The manager's behaviour is reflected not only in the Company, but also externally, e.g. in terms of image in relation to the market.

In particular, a manager who retaliates or discriminates, directly or indirectly, against persons who have made a Report for reasons directly or indirectly related to the Report itself shall be exempted.

A similar sanction is provided for a manager/manager who has been found criminally responsible, even by a judgment of first instance, for the offences of defamation or slander or false testimony or his civil liability, for the same reason, in cases of intentional or gross negligence.

The persons legally representing the Companies are responsible for the specific application of the disciplinary measures described above to the management staff.

5.4 Measures taken against the Directors and Members of the Company's Board of Directors

The Company rigorously evaluates reportable violations and specific violations of the Internal Procedure by persons who constitute the Company's top management and thus represent and represent the Company's image before the Institution, employees, shareholders and the public.

Shaping and consolidating a business ethic sensitive to the values of honesty and transparency presupposes, first and foremost, that these values are acquired and respected by those who lead the Companies so that they serve as an example and stimulus to all who work for the company at every level.

With regard to Reportable Breaches by the Directors, the Competent Person shall immediately and formally inform the rest of the Board of Directors and the Supervisory Board of SEST-LUVE-Polska Sp. z o.o., as well as the HR department of LU-VE Group, which shall take all appropriate disciplinary measures and initiatives.

In addition, without prejudice to any other action to protect the Company, a Director or Director of the Board of Directors who retaliates or discriminates, directly or indirectly, against those who have made Reports of Infringement shall be immediately removed from office.

A similar sanction is provided for a Director or a Member of the Management Board who has been found criminally responsible, even by a judgment of first instance, for offences of defamation or slander or false testimony or his civil liability, for the same reason, in cases of intent or gross negligence.

5.5 Sanctions against third parties

Sanctions that may be imposed on third parties are:

- a written reminder of strict compliance with the rules, to be recorded in the supplier register or by any other instrument, able to remember records and documents;
- activation of specific contractual clauses contained in the relevant agreements, if any, which govern the effects of such breaches, including with respect to the damage suffered by the Company as a result of this fact;
- informing the employer, under whose decision-making supervision the work of a third party is performed, in order to apply any disciplinary measures.

In the case of Reportable Breaches or specific Breaches of Internal Procedure committed by third parties, the Competent Person should challenge the offender by giving a specific indication of the alleged facts, while issuing a written reminder of strict compliance with the violated rules of conduct together with a formal letter of formal notice and a notice to remedy the violation, or by terminating the contractual relationship.

In any case, the Company is entitled to compensation for the damage suffered as a result of the violations.

The sanctions referred to in this Section may also be applied in the event that the Third Party is a former employee and/or a person who became aware of the violation during the recruitment process or at other stages prior to the conclusion of the contract.

6. EXTERNAL CHANNEL AND PUBLIC DISCLOSURE

Reporting Persons are invited, in accordance with the principles of transparency, loyalty, trust and cooperation that characterize the relationship with the Company, to use one of the internal whistleblowing channels made available by SEST-LUVE-Polska Sp. z o.o. These persons also have the right to make an external report to the Ombudsman. The whistleblower may make an external report without first making an internal report.

The external channel can be used in particular in the following situations:

- a) the internal whistleblowing channel in the context of work is not active or, even if it is active, does not comply with the provisions of the Whistleblower Protection Act of 14 June 2024;
- b) The whistleblower has already made an internal report and no follow-up action has been taken;
- c) The whistleblower has reasonable grounds to believe, that if they make an 'internal report', there would be no effective follow-up, or that the same report could lead to a risk of retaliation;
- d) The whistleblower has reasonable grounds to believe, that the Breach may pose an immediate or obvious threat to the public interest.

External reports are made in accordance with Article 30 et seq. of the Act of 14 June 2024 on the Protection of Whistleblowers (in Journal of Laws 2024.928) through channels made available by the Commissioner for Human Rights and in accordance with the procedures provided for on the:

<https://bip.brpo.gov.pl/pl/content/zlozenie-wniosku-do-rzecznika-praw-obywatelskich> website.

In addition, the Whistleblower has the right to make public disclosure. A whistleblower who makes a public disclosure enjoys the protection provided for in this Procedure and in the Act of 14 June 2024 on the protection of Whistleblowers (in Journal of Laws 2024.928) if, at the time of disclosure, he/she makes:

- (1) an internal report followed by an external report, and the legal entity and then the public authority fail to take any appropriate follow-up action or provide feedback to the whistleblower within the time limit for feedback set out in the external procedure of the public authority within the time limit for providing feedback set in the external procedure of the public authority, or
- (2) immediately the external report and the public authority does not take any appropriate follow-up or feedback to the whistleblower within the time limit set in its external procedure
– unless the whistleblower has not provided a contact address to which such information should be provided

A whistleblower making a public disclosure is protected if he or she has reasonable grounds to believe that:

- (1) the infringement may constitute an immediate or manifest threat to the public interest, in particular where there is a risk of irreparable harm, or
- 2) making an external report will expose the Whistleblower to retaliation, or
- 3) in the case of an external report, there is a low probability of effective prevention of the violation of the law due to the specific circumstances of the case, such as the possibility of hiding or destroying evidence, the existence of collusion between the public authority and the perpetrator of the infringement, or the participation of the public authority in the infringement

This procedure was consulted with the Trade Unions on: from 18.09.2024. to 25.09.2024 and was adopted by the Resolution of the Management Board Plenipotentiary on September 25, 2024.

The internal reporting procedure enters into force 7 days after the date of its notification to persons performing work in the manner adopted in the Company, except for the provisions concerning the External Channel, which enter into force on 25 December 2024.

Jacek Pokrywka

Member of the Management Board

Managing Director