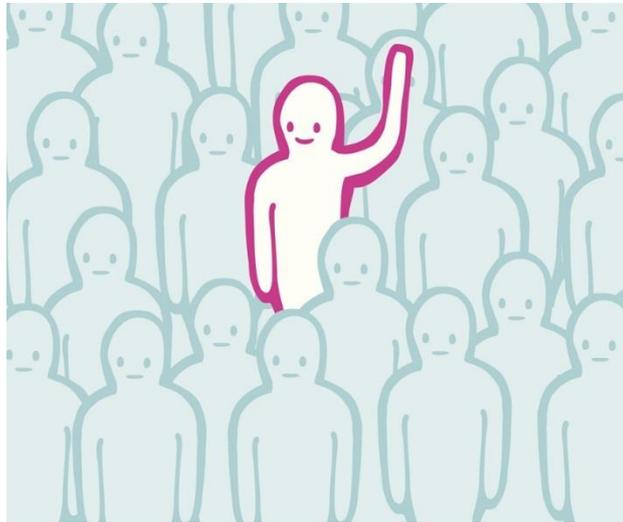


# Whistleblower Policy and Procedure



*“Employees are usually the first to recognize wrong doing in the workplace, so empowering them to speak up without fear of reprisal can help authorities both detect and deter violations.”*

OECD, Whistleblower Protection

November 2017

WHISTBLOWER POLICY AND PROCEDURE

***INTRODUCTION***

Plus Felt is committed act with a legal and ethical behavior in all its activities and requires that the managing director, all its employees and other stakeholders involved in its business activity act in accordance with all laws, regulations, policies and standards of personal and business ethics in the performance of their duties and responsibilities.

This Policy describes a procedure for the manager director, other directors, employees and other stakeholders to report actions that they believe that can violate a law or a regulation; or that constitute accounting or other fraudulent practices. This Policy applies to any matter related to Plus Felts's business.

## WHISTBLOWER POLICY AND PROCEDURE

**DEFINITIONS**

*Complaint:* An allegation or irregularity that is subjected to investigation by the appropriate authority.

*Detriment:* Victimization or reprisal of a whistleblower that is carried out through one of the following actions or a combination of them: dismissal, coercion, undue influence, withholding of benefits and/ or rights or any other act that has a negative impact on the informer.

*Good Faith:* This is evidenced when a report is made without malice or without consideration of personal Benefit and the employee has a reasonable basis to believe that the report is true; however, it must not be shown that a report is true to be made in good faith. There is lack of good faith when it is known that the disclosure is malicious or false.

*Misconduct:* A member breach, who belongs to the company's staff or another relevant stakeholder, with regard to the behaviors standards or conduct rules prescribed by the organization.

*Research:* It is a process designed to collect and analyze information in order to determine if a misconduct has occurred and, if so, to find the responsible parties.

*Suspect:* A person who allegedly committed a fault and is subjected of an investigation.

*Whistleblow:* The reporting act of an unethical conduct observed/ perceived of employees, managers, directors and other stakeholders by an employee or another person to the appropriate authority. It is an early warning system that allows the organization to find out in time when something is wrong to take the necessary corrective actions.

*Whistleblower:* Any person(s) including employees, managers, directors, service providers and other interested parties of an institution, which reports any form of unethical or dishonest behavior to the appropriate authority.

WHISTBLOWER POLICY AND PROCEDURE

***OBJECTIVES***

The objectives of this Complaints Policy are:

- To prevent or to detect and correct inappropriate activities.
- To encourage the director, each manager, employee or person linked to the company to report (Individual Reports) what he or she believes in good faith a material violation of the law or policy or any audit or accounting questionable matter from Plus Felt or from any interested party.
- To guarantee the reception, documentation, record and resolution of the received reports under this policy.
- To protect from retaliatory actions individuals who submit reports.

## WHISTBLOWER POLICY AND PROCEDURE

**ROLES AND RESPONSABILITIES**

The roles and responsibilities of the key parties in the whistleblowing process are the following:

Nº	Persona responsable	Responsabilidades
1	Whistleblower	Complainants are expected to act in good faith and to refrain from making false accusations when the report irregularity(s), and also provide all evidences at their disposal to help with the reported problems investigation.
2	Suspect	The suspect has the duty to cooperate with the investigators during the investigation period, that includes: the provision of relevant information, documents or other materials that the investigator may need.
3	Investigator	The management director assumes the investigator role. The investigator is expected to handle all matters with high professionalism, confidentiality and punctuality. He / she will be independent and impartial in conducting the investigation. The investigator is responsible for acknowledging all reported irregularities and reporting the investigation process to the whistleblower.
4	Evaluation Committee	The management director and the H&S department (external company) form the evaluation committee, whose role is to evaluate all cases and present the investigation results. It is also the duty of the evaluation committee to review and update the complaint policy and procedure.

## WHISTBLOWER POLICY AND PROCEDURE

**WHISTLEBLOWING PROCEDURE**

This procedure guides the whistleblower process through the steps description that the whistleblower has to follow when reporting a misconduct, and also describes the steps for the investigation.

The procedure is valid for reporting irregularities that com both internally and externally to Plus Felt.

Paso	Acción
<b>Step 1</b> Whistleblower irregularity(s) scope – channel and format	<p>The whistleblower may raise irregularities through any of the following channels (it is allowed to do it anonymously)</p> <ul style="list-style-type: none"> <li>• Formal letter to the Plus Felt management director C/Tordera s/n Pol Ind Gaserans 17451 St Feliu de Buixalleu</li> <li>• Phone: (+34) 972 86 50 55</li> <li>• E-mail: <a href="mailto:info@plusfelt.com">info@plusfelt.com</a></li> </ul> <p>The irregularity(s) have to be presented in the following format:</p> <ul style="list-style-type: none"> <li>• Irregularities antecedents (with the relevant dates)</li> <li>• Reason(s) for which the whistleblower is especially worried.</li> </ul> <p>The employee anonymity and the confidentiality of the treated issues has to be absolutely guaranteed.</p> <p>Disciplinary measures will be taken against any person who receives an irregularity report and does not report it to the investigator. Disciplinary measures will be also taken against whistleblower(s) acting with malice.</p>

<p><b>Step 2</b> Irregularities investigation and process investigation updating</p>	<p>The investigator has to confirm the irregularity report reception within a period of 5 working days from its reception and immediately after initiating the investigation. The investigation purposes are:</p> <ul style="list-style-type: none"> <li>- To determine if a crime has been committed, and if so, with what extension; and</li> <li>- To minimize the risk of further misdeeds, prevent any other assets loss, company reputation damage and, as far as possible, protect all evidence sources. When appropriate, the investigator should report the investigation progress to the whistleblower.</li> </ul>
<p><b>Step 3</b> No satisfaction with the result of the investigation/ action</p>	<p>In case the complainant is not satisfied with the investigation result and/ or action(s) taken, the complainant is free to transmit it to the evaluation committee.</p>
<p><b>Paso 4</b> Investigation resolution</p>	<p>The managing director and the H&amp;S department (external company) form the evaluation committee, whose role is to evaluate all cases and to present the investigation results. Detailed records of all reports and investigations have to be preserved to ensure traceability. It is also required to the evaluation committee to review and update the complaint policy and procedure.</p>

Any whistleblower who feels victimized may report their complaint(s) to the evaluation committee. This is understood without prejudice to the fundamental right of the complainant to go to the justice court.

The Plus Felt policy is to manage the investigations immediately and as fairly as possible. However, a specific time frame for the investigation conclusion cannot be established, due to the diverse nature of potential irregularities that may occur. The investigator will endeavor to resolve all irregularities within a period of four weeks. If for some reason, the resolution cannot be achieved within this frame time, the investigator will request assistance to the H&S department (external company).

## WHISTBLOWER POLICY AND PROCEDURE

***WHISTLEBLOWER PROTECTION***

It has to be Plus Felt's policy to protect whistleblowers from irregularities, provided the complaint is made

- under the reasonable belief that there are misconduct intentions;
- to an appropriate person or authority; and
- a una persona o autoridad apropiada; y
- in good faith, without malice.

All the resulting disclosures from the whistleblower process should be treated with a high confidentiality level, so the staff and other relevant stakeholders are encouraged to disclose their name to make the report more credible.

On no account retaliatory actions will be taken against whistleblowers who have denounced an irregularity in good faith. This guarantee has to be clearly communicated to all employees to build confidence in the procedure.

WHISTBLOWER POLICY AND PROCEDURE

***TRAINING***

The whistleblower procedure has to be accessible to all the people who integrate the Plus Felt team and to other important stakeholders like customers, suppliers, etc.

A training to all Plus Felt workers is done in order to explain how to use and to indicate how they can access it. Likewise, in this training, employees must be informed that under no circumstances retaliatory actions will be taken against whistleblowers who have denounced an irregularity in good faith.

WHISTBLOWER POLICY AND PROCEDURE

***PROCEDURE PERFORMANCE***

Use and performance indicators has to be established, such as the number of received reports.