

## **INTERNAL REPORTING PROCEDURE AT ŚNIEŻKA TRADE OF COLOURS SP. Z O.O.**

Procedure valid from 25.09.2024 r.

The internal reporting procedure was adopted by Management Board Resolution No. IV/52/2024

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## 1. PREAMBLE

Śnieżka Trade of Colours sp. z o.o., hereinafter referred to as "Śnieżka ToC", is driven by the highest ethical standards in its business activities. Ensuring compliance with legal regulations, openness and transparency constitute the basis of all business relations and operations undertaken by Śnieżka ToC.

Based on the above principles, Śnieżka ToC adopts this Internal Reporting Procedure, hereinafter referred to as the "**Procedure**".

The procedure complies with the provisions of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting breaches of Union law, hereinafter referred to as the "**Directive**", and the Act of 14 June 2024 on the protection of whistleblowers, hereinafter referred to as the "**Act**".

## 2. PURPOSE

- 2.1. This Procedure defines the internal rules for submitting Reports and taking follow-up Actions.
- 2.2. The purpose of the Procedure is to create conditions for the safe and confidential reporting of Violations observed or suspected in a work-related Context.

## 3. RESPONSIBILITY

- 3.1. The business owner of this Procedure, responsible for its periodic updating and making any necessary changes, is the The Śnieżka ToC Management Board.
- 3.2. The Śnieżka ToC Management Board is obliged to ensure:
  - 1) familiarising Employees with the content of this Procedure;
  - 2) familiarising each new Employee with the content of the Procedure prior to allowing them to perform work,
  - 3) informing a person applying for work on the basis of an employment relationship or another legal relationship constituting the basis for the provision of work or services or the performance of a function about the Procedure together with the commencement of recruitment or negotiations preceding the contract conclusion.
- 3.3. Each Employee and each organizational unit of Śnieżka ToC is obliged to liaise with the entity authorized to take follow-up actions within the scope indicated by that entity, in particular by participating in explanatory procedure or providing necessary documentation or information. Persons collaborating in taking follow-up actions are obliged to maintain confidentiality.

## 4. DEFINITIONS

Whenever this Procedure refers to:

- 1) **Retaliatory actions** – this should be understood as any direct or indirect action or omission in a work-related context that is caused by a Report or an external report or Public Disclosure and that violates or may violate the rights of the Whistleblower or causes or may cause unjustified damage to the Whistleblower, including unfounded initiation of proceedings against the Whistleblower; examples of prohibited retaliatory actions are indicated in Annex 1 to the Procedure;
- 2) **"Śnieżka" Group** – this should be understood as a group of companies which includes Śnieżka Trade of Colours sp. z o.o. and in which the dominant company is Fabryka Farb I Lakierów Śnieżka S.A.,
- 3) **Work-related context** – this should be understood as all past, present or future circumstances related to the employment relationship or other legal relationship constituting the basis for the provision of work, or the provision of services or the performance of a function at Śnieżka ToC on the basis of an employment relationship or other legal relationship constituting the basis for the provision of work or services or the performance of a function in a legal entity or for the benefit of such entity within the framework of which information about the Violation was obtained and there is a possibility of experiencing Retaliatory Actions;

- 4) **EY VCO Platform** – this should be understood as the dedicated online tool EY Virtual Compliance Officer, intended for submitting Reports, available at <https://sniezkagroup.vco.ey.com/>
- 5) **Violation** – this should be understood as an action or omission that is unlawful or intended to circumvent the law, as well as any unethical behaviour or omission, in particular violation or circumvention of internal procedures in force at Śnieżka ToC, conflict of interest or corruption;
- 6) **Person to whom the Report concerns** – this should be understood as a natural person, legal person or organizational unit without legal personality, to whom the law grants legal capacity, indicated in the Report, external report or Public Disclosure as the person who committed the Violation or as a person with whom the person who committed the Violation is associated;
- 7) **Person assisting in submitting the Report** – this should be understood as a natural person who, in a work-related Context, assists the Whistleblower in submitting a Report and whose assistance should not be disclosed;
- 8) **Person associated with the Whistleblower** – this should be understood as a natural person who may experience Retaliatory Actions, including a colleague or the closest person to the Whistleblower;
- 9) **Employee** – this should be understood as a person employed by Śnieżka ToC on the basis of an employment relationship, performing work for Śnieżka ToC on a basis other than an employment relationship, including in particular on the basis of a civil law contract, an intern, apprentice or volunteer performing work for Śnieżka ToC as part of an internship, apprenticeship or volunteering,
- 10) **Team** – this should be understood as a team appointed for the Śnieżka Group companies, authorised to receive Reports and take follow-up actions; the Team consists of:
  - a) Corporate Governance Officer employed at Śnieżka SA, who is also the chairman of the Team,
  - b) Compliance Officer employed at Śnieżka SA,
 – provided that, for the purposes of taking follow-up actions, the Team may be expanded to include other persons with specialist knowledge;
- 11) **Whistleblower** – this shall be understood as a natural person submitting a Report, external report or public disclosure in a work-related Context, including:
  - a) employee,
  - b) temporary employee,
  - c) a person performing work on a basis other than an employment relationship, including a civil law contract,
  - d) entrepreneur,
  - e) proxy,
  - f) shareholder,
  - g) member of the Management Board or Supervisory Board,
  - h) a person performing work under the supervision and direction of a contractor, subcontractor or supplier,
  - i) intern,
  - j) volunteer,
  - k) trainee,
  - l) a natural person referred to in sec. 11 item a - k, in the case of Reporting or Public Disclosure of information about a Violation obtained in a work-related context before entering into an employment relationship or other legal relationship constituting the basis for the provision of work or services or performing a function in Śnieżka ToC or after their termination.
- 12) **Report** – this should be understood as the transmission of information via a dedicated channel, including a reasonable suspicion, concerning an actual or potential Violation that has occurred or will probably occur in Śnieżka ToC or information regarding an attempt to conceal such a Violation.
- 13) **Public disclosure** - this should be understood as providing information about a violation of the law publicly available.

## 5. REPORTABLE VIOLATIONS

- 5.1. The subject of the Report may be Violations of common law concerning any of the areas of common law indicated in section 5.2 or internal regulations in force at Śnieżka ToC indicated in section 5.3.
- 5.2. The areas of common law for which a Violation is subject to Reporting are:
- 1) corruption;
  - 2) public procurement;
  - 3) financial services, products and markets,
  - 4) counteracting money laundering and terrorism financing;
  - 5) product safety and compliance;
  - 6) transport safety;
  - 7) environmental protection;
  - 8) radiological protection and nuclear safety;
  - 9) food and feed safety;
  - 10) animal health and welfare;
  - 11) public health;
  - 12) consumer protection;
  - 13) privacy and personal data protection;
  - 14) security of networks and IT systems;
  - 15) financial interests of the State Treasury of the Republic of Poland, local government units and the European Union;
  - 16) the European Union's internal market, including public law rules on competition and state aid, and corporate taxation
  - 17) constitutional human and civil rights and freedom – occurring in the relations of an individual with public authorities and not related to the areas indicated in points 1-16) above
- 5.3. Internal regulations of Śnieżka ToC, Violation of which is subject to Reporting, include in particular:
- 1) Code of Ethics;
  - 2) HR Policy;
  - 3) Information Policy;
  - 4) Respect for Human Rights Policy;
  - 5) Anti-Corruption Policy,
  - 6) Diversity Policy;
  - 7) Personal Data Protection Policy;
  - 8) Digital Security Policy;
  - 9) Quality, Environmental and Health and Safety Policy,
  - 10) Fleet Policy;
  - 11) Procurement Policy;
  - 12) Supplier Code;
  - 13) Procedures for counteracting money laundering and terrorism financing;
  - 14) Instructions for recording the costs of development and research work and expenditure on other Intangible Assets;
  - 15) Instructions for handling fixed assets, intangible assets and equipment;
  - 16) Instructions for selecting a supplier for investment orders, orders resulting from the performance of repair and inspection works, and orders resulting from the removal of the effects of failures;
  - 17) Instructions for the disposal of fixed assets and equipment;
  - 18) Procedures for developing a material and financial investment plan.

## 6. RULES FOR SUBMITTING REPORTS

- 6.1. A whistleblower who has obtained information about a Violation or suspects a Violation in a work-related Context should submit a Report via EY VCO platform –available under the following link: <https://sniezkagroup.vco.ey.com/>;

Śnieżka Trade of Colours sp. z o.o.

siedziba spółki: 00-867 Warszawa, ul. Chłodna 51, adres do korespondencji: 39-207 Brzeźnica, ul. Dębicka 44

tel. +48 22 221 93 19 lub +48 14 681 11 11, fax +48 14 682 22 22, KRS 0000373430 Sąd Rejonowy dla m. st. Warszawy w Warszawie

XIII Wydział Gospodarczy KRS, NIP 872-23-87-389, REGON 180632944, BDO 000499445, kapitał zakładowy 303 558 000 PLN

- 6.2. Śnieżka ToC enables anonymous reporting. An anonymous report means that the identity of the Whistleblower will not be known unless the Whistleblower reveals it at a later stage of the Report investigation process.
- 6.3. The Whistleblower should provide as much information as possible regarding the Violation in the Report. This will streamline the clarification process. The Report should contain the following information:
- 1) "What happened?";
  - 2) "Where?";
  - 3) "When?";
  - 4) "How?";
  - 5) "What tools or systems were used to commit the irregularities?";
  - 6) "What was or could have been the perpetrator's motive?";
  - 7) "Who did it?"
- 6.4. The whistleblower may submit an external report to the Ombudsman or the public authority competent due to the nature of the Violation and, where appropriate, to the institutions, bodies or offices of the European Union.
- 6.5. The subject of an external report cannot be Violations of internal regulations in force at Śnieżka ToC indicated in section 5.3 of the Procedure.
- 6.6. The Ombudsman and public authorities receive and review Reports in accordance with the established procedures. Information on how to submit a Report to the Ombudsman, as well as on the rights and legal remedies of the Whistleblower can be found on the website of Bulletin of the Public Information of the Ombudsman, available at: <https://bip.brpo.gov.pl/pl>. Information on how to submit a Report to a public authority can be found on the website of the relevant public authority in the Bulletin of the Public Information.

## **7. RECEIVING REPORTS**

- 7.1. An entity authorized to receive Reports is the Team.
- 7.2. Within 7 days of submitting the Report, the Team shall confirm to the Whistleblower that the Report has been received, unless the Whistleblower submits the Report anonymously and does not provide contact details for receiving feedback.
- 7.3. Based on the contact details provided by the Whistleblower, the Team may contact the Whistleblower to obtain further information regarding the Violation.

## **8. REPORTING PROCEDURE**

- 8.1. An entity authorized to take follow-up actions is the The Śnieżka ToC Management Board.
- 8.2. The purpose of follow-up actions is to verify the Report impartially, reliably and objectively. After receiving the Report, the Śnieżka ToC Management Board is obliged to take the necessary follow-up actions aimed at considering the Report.
- 8.3. If the follow-up actions require an increase in human resources, specialist knowledge or skills, the Śnieżka ToC Management Board may take advantage of the support of the Team. The Team will not receive an access to personal data processed in connection with the follow-up actions.
- 8.4. Follow-up actions may include:
- 1) explanatory procedure;
  - 2) actions taken to recover funds;
  - 3) pressing charges;
  - 4) taking measures to prevent further Violations.
- 8.5. The detailed procedure for taking follow-up actions is specified in the Procedure for handling complaints applicable to the Śnieżka Group companies.
- 8.6. All documentation related to the Report and follow-up documentation will be treated as confidential and appropriately protected against unauthorised access.
- 8.7. Any person authorized to receive Reports and take follow-up actions will be bound by a written obligation of confidentiality.

## **9. DISCIPLINARY MEASURES**

- 9.1. If, after conducting thorough investigation, the fact of a Violation is confirmed, Śnieżka ToC may initiate appropriate disciplinary measures towards the Person concerned by the Report.
- 9.2. Disciplinary measures applicable to employees of Śnieżka ToC are those set out in the Śnieżka ToC Work Regulations.
- 9.3. Disciplinary measures towards persons performing work on a basis other than an employment relationship are in line with the principles adopted at Śnieżka ToC, including the relevant contractual provisions.

## **10. FEEDBACK**

- 10.1. Within 3 months from the date of confirming the Report receipt or - in the event of failure to provide confirmation, after 7 days from the date of submitting the internal report, unless the Whistleblower failed to provide a contact address to which feedback should be sent, the Śnieżka ToC Management Board will provide the Whistleblower with feedback.
- 10.2. The feedback includes the following information:
  - 1) on a Violation occurred or its lack;
  - 2) on any follow-up actions planned or taken and the reasons for such actions;
  - 3) on any measures that have been or will be taken in response to the identified Violation.

## **11. REPORT REGISTER**

- 11.1. The team maintains a register of internal reports. The data in the Report register is confidential and access to it is restricted.
- 11.2. Data in the internal reporting register are retained for a period of 3 years after the end of the calendar year in which the follow-up action was completed or after the proceedings initiated by such action were completed.

## **12. PROTECTION RULES**

- 12.1. Retaliatory actions are prohibited at Śnieżka ToC, and any cases of their application are subject to disciplinary liability. Śnieżka ToC ensures protection against retaliation or other types of unfavourable or unfair treatment.
- 12.2. Protection against retaliatory action is available to:
  - 1) A Whistleblower;
  - 2) A person assisting in submitting the Report;
  - 3) A person associated with the Whistleblower;
- 12.3. A whistleblower is protected from the moment of submitting a Report, external report or public disclosure, provided that they had reasonable grounds to believe that the information about the Violation that was the subject of the Report was true at the time of submitting the Report or public disclosure and that it constitutes information about the Violation.
- 12.4. One of the measures to protect the Whistleblower is to protect their identity and to protect information that could directly or indirectly help identify them. Śnieżka ToC ensures that information about the Whistleblower's identity will be kept confidential and will only be disclosed with the express consent of the Whistleblower in writing or by e-mail/electronically. Each person designated to receive Reports and take follow-up actions has appropriate authorisation and has signed a declaration of confidentiality under penalty of criminal liability.

## **13. FALSE REPORTS**

- 13.1. False reports are not protected under this Procedure and are prohibited.
- 13.2. A false report is information that the person submitting the false report knew was not true and does not constitute information about a Violation. In particular, a false report is one that contains features of intentional defamation.

#### **14. PERSONAL DATA PROCESSING**

- 14.1. Śnieżka ToC processes personal data in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and the provisions of Act.
- 14.2. Śnieżka ToC processes only the personal data that is relevant to reviewing the Report. Any personal data that is clearly not relevant to the processing of the Report is not processed and, in the event of accidental collection, is deleted without undue delay.
- 14.3. Personal data and other data on the basis of which the Whistleblower can be directly or indirectly identified are not subject to disclosure, unless with the express consent of the Whistleblower, excluding the situation in which disclosure of identity is required under the provisions of generally applicable law.
- 14.4. The Whistleblower should always be informed of the circumstances in which disclosure of his identity becomes necessary, in particular in connection with proceedings conducted by other authorities.
- 14.5. Personal data processed in connection with the implementation of this procedure shall be stored for a period of 3 years after the end of the calendar year in which the follow-up actions was completed or after the proceedings initiated by such action were completed.

#### **15. EXCEPTIONS**

In exceptional situations, it is possible to depart from the provisions of this Procedure to the extent not regulated by applicable law. Consent to depart from the principles specified in the Procedure is issued in writing by the president of the management board of Śnieżka ToC or the person substituting him, indicating the provisions of the Procedure that will not apply and the justification for the departure.

#### **16. REVIEW AND CHANGE OF PROCEDURE**

This Procedure is subject to verification at least once every 24 months, unless changes in legal provisions, in particular the Act, require its more frequent updating.

#### **17. RELATED PROCEDURES**

Follow-up actions taken to verify information about violations of the law and measures that may be applied in the event of a violation of the law being found are the subject of the Procedure for handling reports in force in the Śnieżka Group companies.

#### **18. ENTRY INTO FORCE**

The procedure enters into force on 14 August 2023 and applies to Reports submitted thereafter. The updated version of the Procedure is effective from 25 September 2024.



**Examples of adverse treatment that may be considered prohibited retaliatory actions against a Whistleblower**

Unless Śnieżka ToC proves that it was guided by objective reasons, the following shall be deemed to constitute adverse treatment due to a Report or Public Disclosure in particular:

- 1) refusal to enter into an employment relationship or legal relationship on the basis of which work is or is to be performed by the Whistleblower
- 2) termination or dissolution without notice of the employment relationship or legal relationship on the basis of which work is or is to be performed by the Whistleblower;
- 3) failure to conclude a fixed-term employment contract following the termination of a trial period employment contract, failure to conclude another fixed-term employment contract or failure to conclude an open-ended employment contract following the termination of a fixed-term employment contract – in a situation where the Employee had a justified expectation that such a contract would be concluded with them;
- 4) reduction in wages;
- 5) withholding promotion or omitting promotion;
- 6) omission of work-related benefits other than salary when granting them or reduction of the amount of such benefits;
- 7) job position demotion;
- 8) suspension from the performance of employment or official duties;
- 9) transfer of current job responsibilities to another Employee;
- 10) an unfavourable change in the place of work or working time schedule;
- 11) negative evaluation of work performance or negative opinion about work;
- 12) imposition or application of a disciplinary measure, including a financial penalty, or a measure of a similar nature;
- 13) coercion, intimidation or exclusion;
- 14) mobbing;
- 15) discrimination;
- 16) unfavourable or unfair treatment;
- 17) suspension of participation or omission when selecting for participation in training to improve professional qualifications;
- 18) unjustified referral for a medical examination, including psychiatric examination, unless separate provisions provide for the possibility of referring an employee to such an examination;
- 19) action aimed at making it more difficult to find future employment in a given sector or industry on the basis of an informal or formal sector or industry agreement;
- 20) causing financial loss, including economic loss, or loss of income;
- 21) causing other non-material damage, including infringement of personal rights, in particular the good name of the Whistleblower.

A threat or attempt to use the measures listed above is also considered retaliatory action as a result of submitting a Report.

## INFORMATION ON THE WHISTLEBLOWER'S DATA PROCESSING

### Who is the administrator of your personal data?

The administrator of your personal data is **Śnieżka Trade of Colours sp. z o.o., the Company's seat: 00-867 Warszawa, ul. Chłodna 51; mailing address: 39-207 Brzeźnica, ul. Dębicka 44**, (hereinafter referred to as: "Administrator" or "We"). Contact with the Administrator is possible via correspondence details or electronically at the e-mail address: [dane.osobowe.toc@sniezka.com](mailto:dane.osobowe.toc@sniezka.com)

### For what purpose and on what basis are your data processed?

Your personal data will be processed for the purpose of considering and further processing the submitted notification of a law violation, including taking follow-up actions in connection with the violation. The basis for the processing of your personal data are our legal obligations resulting from the Act of 14 June 2024 on the protection of whistleblowers (Article 6 sec. 1 item c of the GDPR in connection with Article 8 sec. 4 of the Act on the protection of whistleblowers).

If you provide special category data (sensitive data, e.g. concerning your health or sexual orientation), your personal data are processed for reasons related to important public interest, regulated by national law, i.e. the Whistleblower Protection Act (Article 9, sec. 2, item g of the GDPR).

Your personal data will not be disclosed to unauthorized persons unless you expressly consent to do so. If this is a case, the basis for disclosure is your voluntary consent (Article 6 sec. 1 item a of the GDPR).

In the case of data relating to convictions, if it is necessary for the consideration and further processing of the submitted notification and in accordance with applicable regulations, they will be processed on the basis of the provisions of specific acts.

Personal data may be processed for the purposes of pursuing, establishing and defending claims based on our legitimate interests (Article 6 sec. 1 item f of the GDPR).

Providing personal data is voluntary, remember that you can also report anonymously.

If the data was not obtained directly from the data subject, it may have been provided by a person assisting in submitting the report.

### To what extent will your data be processed?

We process your personal data to the extent necessary to receive your report or take any follow-up action. Any personal data that is not relevant to the processing of the Report is not processed and, in the event of accidental collection, is deleted without undue delay. These personal data is deleted within 14 days from the moment it is found irrelevant to the case.

### Who will your data be shared with?

The Administrator may transfer your personal data to other recipients entrusted with the processing of personal data on behalf of and for the benefit of the Administrator, ensuring an appropriate level of security of your data. Data may also be transferred to relevant state authorities in cases required by law. Data will not be transferred to international organisations or countries outside the EEA unless they comply with appropriate security requirements.

### How long will your data be processed?

We will process your personal data for a period of 3 years from the date of receipt of the report or after completion of proceedings initiated after receipt of the report, including any court proceedings, until the proceedings are finally resolved.

### What are your rights?

You are entitled to:

- access to your personal data and receive the copies of personal data processed;
- correct any irrelevant data;
- request for deletion of data (right to be forgotten) in the case of circumstances specified in art. 17 of the GDPR - Once the report has been submitted, we cannot delete the data for the period required by law, unless the report is unjustified.
- request to limit data processing in the cases specified in art. 18 of the GDPR;

- raise objections to data processing in the cases specified in art. 21 of the GDPR;
- withdrawal of consent to data processing, the withdrawal of consent does not affect the legality of data processing carried out before its withdrawal.

If you believe that your personal data is being processed unlawfully, you can file a complaint with the supervisory body (Office for Personal Data Protection (UODO), 2 Stawki Street, Warsaw, <https://uodo.gov.pl/pl/p/dla-obywatela>).

#### **Contact**

If you need further information related to the personal data protection or want to exercise your rights, contact our Data Protection Officer at [dane.osobowe.toc@sniezka.com](mailto:dane.osobowe.toc@sniezka.com)