



## PROCEDURE FOR HANDLING WHISTLEBLOWING REPORTS BIRLA CARBON ITALY

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## 1. Objectives

This procedure governs the process of receiving and processing reports of Whistleblowing (defined in Section 11 below) and the way the related investigation is handled in compliance with current regulations applicable to the subject and object of the report and the protection of personal data.

## 2. Scope of application

This procedure applies to the Birla Carbon Italy S.r.l., belonging to Birla Carbon Group, personnel of Birla Carbon Italy S.r.l., stakeholders and other third parties who witness an offence or irregularity referable to personnel of Birla Carbon Italy S.r.l. Birla Carbon Italy S.r.l. personnel refers to persons referable to it, such as directors, executives and other members of corporate bodies, management and employees of Birla Carbon Italy S.r.l., third parties who are not employees such as business partners, suppliers, customers, auditing firms, consultants, individuals acting on behalf of the organization, collaborators, interns, etc. (the "Personnel")

The management of the reports and the related data processing is carried out by Birla Carbon Italy S.r.l., in compliance with the applicable legal provisions, including the legislation on the protection of personal data and especially the EU Regulation 2016/679 lawfulness of processing related to the protection of personal data (GDPR) (defined in Section 11).

## 3. Conduct subject to Whistleblowing.

The following can be reported through the Whistleblowing channel:

- *Violations of the Birla Carbon Group's Code of Ethics and its values.*
- *Violations of laws and regulations.*
- *Violations of authority orders;*
- *Violations of company procedures;*
- *Conduct that causes damage or harm, even if only to the goodwill of Birla Carbon Italy S.r.l.*

Reports other than the cases described above, particularly those referring to commercial or personal inquiries, complaints, or grievances, will not be processed pursuant to this procedure.

## 4. Modes of operation

The process consists of the following steps:

- *Receipt of Whistleblowing;*
- *Content of the Whistleblowing;*
- *Preliminary assessment;*



- Preliminary investigation;
- Closure of Whistleblowing.

**a. Receipt of Whistleblowing**

Birla Carbon Italy S.r.l., to ensure the effectiveness of the whistleblowing process and provide broad and indiscriminate access to those who wish to make a report, which will be evaluated by the Ethics Committee (defined in Section 11), has made available three alternative communication channels:

- Navex EthicsPoint software platform accessible from the website <https://birlastaging.wpengine.com/italy-whistleblower-policy/>, clicking on the button “File a report”, available in the page, which addresses directly to the portal through the URL [EthicsPoint - Birla Carbon](#).

- via a QR Code from a mobile device :

Intake Link: <https://birlacarbon.navexone.com/>

Mobile Intake QR Code:



- By phone contacting the Code of Ethics Hotline on the dedicated number 800-78860.

Monitoring the functionality of the above communication channels is ensured by the Deputy General Counsel ([richard.paris@adityabirla.com](mailto:richard.paris@adityabirla.com)), who must be contacted in case of any malfunction.

Although anonymous Whistleblowing is accepted, Birla Carbon Italy S.r.l., encourages Whistleblower(s) (defined in Section 11 below) to refer those by name, which will improve the speed and effectiveness of investigations.

The guarantee and protection of the Whistleblower is represented in Sec. 7 below to which reference is made.



#### **b. Content of the Whistleblowing**

The Whistleblower makes reports by providing the information available to him or her based on sound reasons and truthful information. The subsequent stages of preliminary verification and investigation are facilitated by reports with precise and detailed content, such as but not limited to:

- *Description of the facts being reported, including the known circumstances (of manner, time, place).*
  - *Identifying elements of the reported person(s) as far as known.*
  - *Indication of any other persons who can report on the facts subject of the Whistleblowing.*
  - *Indication, or if in possession, provision of any documents in support of the Whistleblowing, in addition, of course, to the identifying elements of the Whistleblower (e.g., generalities and contact details), in cases where the option of anonymity has not been chosen.*
- In case of unfounded Whistleblowing, made in bad faith or with gross negligence, Birla Carbon Italy S.r.l. reserves the right to act in defense of its interests and to protect the injured parties.*

#### **c. Preliminary Assessment**

The Legal Department analyzes the Whistleblowing received and:

- *If the report has precise, circumstantial, and verifiable content and refers to relevant facts, it initiates the relevant preliminary investigation, making use of the relevant stakeholders depending on the nature of the report.*
- *If the Whistleblowing has unsubstantiated and/or unverifiable content and the Whistleblower could not be reached to provide the necessary additions, file the report.*
- *if the Whistleblowing concerns facts that - although concerning Birla Carbon Italy S.r.l. - do not fall within the scope of application of this document (so-called "non inherent reports", such as, by way of example and not limited to, complaints of a commercial nature, business proposals, marketing activities), it shall forward it to the competent function of the Company for the management of the issue, which will be responsible for updating the relevant stakeholders, about the results of the verification activities;*
- *If the Whistleblowing relates to previously known and fully ascertained facts and without the new whistleblowing having added or allowing for additional elements or aspects to what was already known (so-called outdated whistleblowing), files the report.*

Without prejudice to what is provided in the case of the initiation of the preliminary investigation, the management, or the function responsible for the preliminary investigation, at the first useful meeting of



the Ethics Committee, shall report on the Whistleblowing referred to in the above points, giving reasons for the choices made.

#### **d. Preliminary investigation**

The objective of the preliminary investigation is to perform an in-depth probe of the allegations set forth in the Whistleblowing aimed at ascertaining objectively whether the reported facts are well-founded (*defined in Section 11*).

To this end, the functions that make up the Ethics Committee are active participants in the process, individually or collectively, supported by the competent corporate functions and/or external consultants depending on the Whistleblowing.

#### **e. Closure of Whistleblowing**

The Ethics Committee reviews the results of the preliminary investigation phase and:

- *should the content of the Whistleblowing be confirmed, refers the definition of any necessary measures to the relevant functions by subject and in compliance with the system of proxies in force.*
- *should areas of weakness and/or points for improvement in the internal control and risk management system emerge during the assessment (regardless of the outcome), it may request implementation of the necessary improvement actions.*

### **5. Retention of documentation**

The Ethics Committee ensures the retention of the original documentation of the Whistleblowing, as well as the working papers related to the investigation and any audits resulting from or related to the Whistleblowing, in special computer files with the standards of security and confidentiality consistent with regulatory provisions and according to specific internal rules where they exist.

The personal data of individuals involved in any capacity (Whistleblower, reported person and third parties) in the Whistleblowing and subsequent investigation activities are processed and stored in accordance with the legislation on the protection of personal data.

Whether the reported facts do not fall within the scope of Whistleblowing or cannot be confirmed (i.e., if the report turns out to be unfounded and no judicial or disciplinary action is initiated), personal data will be deleted or anonymized in accordance with applicable law.



If the Whistleblowing turns out to be well-founded and/or if judicial or disciplinary action is initiated, the personal data will be retained for 10 years or such longer period as may be necessary to comply with legal requirements and/or for judicial protection purposes, subject to prescriptive periods.

## 6. Management of Conflicts of Interest

If the reported facts concern:

*one or more members of the Ethics Committee directly or indirectly, or activities falling under their assigned organizational responsibilities, such members will be excluded from handling the Whistleblowing.*

If a member of the Ethics Committee has a conflict of interest, it is his or her responsibility to declare the conflict. The appropriateness of maintaining or excluding the involvement of said component from Committee meetings dealing with the specific conflict issue will be evaluated by the remaining members of the Committee. The members always have access to the platform so each of them has timely access to the Whistleblowing received through that channel.

If a member of the Ethics Committee has a conflict of interest, the other members of the Ethics Committee will temporarily disable that person from accessing the platform and the dedicated e-mail box. If the report concerns the Chairman, the Chairman will evaluate whether to speak with his superiors.

## 7. Communication, Training, and Information

The Ethics Committee (defined in Section 11 below) is responsible for providing the necessary information and training, wherever necessary, to the corporate employees. This includes the handling of Whistleblowing in Italy, and particularly the benefits of the policy, the tools to support it, and the guarantees and protections of the whistleblowers and reported parties.

## 8. Assurance and Protection

### a. Guarantee of confidentiality

Birla Carbon Italy S.r.l. is required to guarantee confidentiality on the existence and content of the Whistleblowing, as well as the identity of the Whistleblowers (if disclosed) and reported persons to the extent reasonably practicable considering the exigencies of the investigation.

Any communication regarding the existence and content of Whistleblowing, as well as the identity of



the Whistleblowers (if disclosed) and reported persons, must strictly follow the "need to know" criteria.

#### **b. Protection of the Whistleblower**

Except to the extent set forth in Section 8.a. above, Birla Carbon Italy S.r.l. guarantees the confidentiality of the identity of the Whistleblower, starting with receiving the whistleblowing report, in compliance with the provisions of the Italian law.

For Whistleblowing transmitted through the IT platform mentioned in Section 4.a above, the confidentiality of the identity of the Whistleblower (as well as the content of the Whistleblowing) is protected in the following ways:

- *The platform is issued by a specialized and independent third party.*
- *the platform adopts a "no-log" policy, i.e., it does not detect in any direct or indirect way information about the connecting mode (e.g., server, IP address, mac address), thus ensuring complete anonymity in access. In addition, the company's computer systems are unable to identify the point of access to the platform (IP address), even if access is made from a computer connected to the company's network or through a link available on the website <https://birlastaging.wpengine.com/italy-whistleblower-policy/>*
- *the platform ensures high security standards, employing advanced encryption algorithms and other methods to protect against unauthorized access.*
- *the Whistleblower, if he/she chooses to do so, may indicate his/her name within his/her Whistleblowing report, or may as well decide to report anonymously.*

If the name of the Whistleblower has been disclosed, it will be separated from the content of the whistleblowing report.

#### **c. Protecting the Whistleblower from retaliation and discrimination.**

In compliance with the Italian law and Birla Carbon's Code of Ethics, Birla Carbon Italy S.r.l. prohibits and sanctions any form of retaliation or discrimination against anyone who has made a whistleblowing report (as well as anyone who has cooperated in ascertaining the facts reported), regardless of whether the Whistleblowing later turns out to be well-founded or not.

Where a bona fide Whistleblower is a Birla Carbon employee, the Ethics Committee (constituting of the relevant corporate functions) will monitor the course of the employee's working life for a period of 2 years



from the date of the Whistleblowing, to prove the absence of discriminatory actions or other forms of retaliation resulting from the report. If the Whistleblower is an employee, he or she shall not be dismissed for reasons of or related to the Whistleblowing, nor shall he or she be subjected to any change in job description, or be suspended, transferred, or subjected to any other organizational measure having direct or indirect negative effects on working conditions, for reasons of or related to the Whistleblowing.

#### **d. Protection of the reported person**

Birla Carbon Italy S.r.l. requires everyone to cooperate in maintaining a company climate of mutual respect and prohibits attitudes that may harm the dignity, honor, and reputation of each person. The guarantees of confidentiality established by the procedures set forth herein also protect any person who is accused in the Whistleblowing report.

The reported person will not be disciplined in the absence of objective evidence about the reported violation, that is, without having investigated the reported facts and disputed the related charges with the procedures of law and/or contract.

The reported person may not request to know the name of the Whistleblower, except in the cases expressly provided for by law.

To further protect the reported person, the actions and powers allowed by law remain unaffected.

## **9. Disciplinary sanctions and other measures**

Birla Carbon Italy S.r.l. will conduct disciplinary sanctions to employees in the following cases:

- *against those who are responsible for any act of retaliation or discrimination or otherwise unlawful prejudice, direct or indirect, against the Whistleblower (or anyone who has collaborated in the investigation of the facts that are the subject of a Whistleblowing) for reasons related, directly or indirectly, to the Whistleblowing.*
- *against the accused person if the Whistleblowing report is found.*
- *against anyone who violates the confidentiality obligations described in the procedures set forth herein.*





*- against employees, as provided by law, who have done unfounded Whistleblowing with malice or gross negligence.*

Disciplinary measures will be proportionate to the extent and seriousness of the established misconduct, including the termination of employment for the most serious cases.

Regarding third parties (e.g., partners, suppliers, consultants, agents) the remedies and actions of the Italian law apply in addition to the contractual clauses of compliance with the Code of Ethics of Birla Carbon.

## **10. Personal Data Protection**

The processing of personal data in the context of the Whistleblowing will take place in compliance with applicable data protection legislation, including the EU Regulation 2016/679 ("GDPR"), as well as any other applicable laws and/or regulations, and in accordance with the specific privacy notice provided to the data subjects and published on the external software platform Navex.

At the time of each Whistleblowing, the reported person and others involved in the Whistleblowing may not immediately receive the privacy notice regarding the processing of their data, where there is a risk that providing such a notice would compromise the ability to effectively verify the content of the Whistleblowing or gather the necessary feedback.

Birla Carbon Italy S.r.l., in handling Whistleblowing, operates in compliance with applicable legal provisions, including the principles of necessity, proportionality, and lawfulness of processing as set forth in the GDPR.

In accordance with the principle of minimization, referred to in Article 5 GDPR, only personal data that is adequate, relevant, and necessary in relation to the purposes of this procedure may be processed.

Therefore, all personal data (of the Whistleblower, if reported, of any accused person and of any other person) contained in the Whistleblowing report or collected in any other way during the investigation phase that is not strictly necessary to ascertain and verify, the content of the Whistleblowing report, will be deleted or anonymized.

Data subjects may exercise their rights under the GDPR and applicable legal provisions, by contacting the Group Data Protection Officer at the email address: [bc.dpo@adityabirla.com](mailto:bc.dpo@adityabirla.com)

If there is a risk that the exercise of the rights granted to the interested party may result in an actual and concrete prejudice to the confidentiality of the identity of the Whistleblower and that the ability to effectively verify the content of the Whistleblowing or to gather the necessary evidence may be



compromised, Birla Carbon Italy S.r.l., reserves the right to limit or to delay the exercise of said rights, in accordance with what is established by the applicable provisions of Italian law. Under no circumstances may the reported person, or third parties, exercise their rights of access to obtain information on the identity of the Whistleblower, unless the latter has made an Illegal Whistleblowing (defined below).

## 11. Definitions

**Ethics Committee:** an internal team which is responsible for the whistleblowing process, including process improvements. The team also provides necessary information and training to the appropriate audience.

It consists of: Legal Department (Corporate Level) and HR Department (Regional Level).

**GDPR (General Data Protection Regulation):** the Regulation (EU) 2016/679 on the protection of individuals regarding the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC, as amended and revised.

**Birla Carbon Personnel:** directors, executives, other members of corporate bodies, management, and employees of Birla Carbon Group.

**Whistleblower(s):** Birla Carbon Italy S.r.l. personnel, stakeholders and other third parties who witness an offence or irregularity referable to Birla Carbon Italy personnel:

**Whistleblowing:** any communication received by Birla Carbon Italy S.r.l. and concerning: alleged violations by Personnel of Birla Carbon Italy S.r.l. of Birla Carbon's Code of Ethics, laws, regulations, measures of the Authorities, or internal regulations; facts of corruption (active and passive); facts or behaviors contradicting with Birla Carbon Italy S.r.l.'s responsibility to respect the human rights of individuals or communities and related to the following categories: Socio-economic impacts, health and safety, violation of workers' rights; or any communication referring to behavior in any way likely to cause damage or harm, even if only to Birla Carbon Italy's image;

**Anonymous Whistleblowing:** reporting in which the identity of the Whistleblower is not explicit, nor is it uniquely identifiable.

**Well-founded Whistleblowing:** whistleblowing that corresponds to the factual situation revealed by the controls carried out.

## 12. References

- *Birla Carbon Code of Ethics (available on the company intranet and website [www.birlacarbon.com](http://www.birlacarbon.com))*
- *EU European Regulation 2016/679*