

# REGULATION ON THE PROCEDURE OF INTERNAL REPORTING OF IRREGULARITIES AND APPOINTMENT OF A CONFIDENTIAL PERSON

## 1 DEFINITIONS OF SCOPE AND RESPONSIBILITIES

### OBJECTIVE

*The purpose of this regulation is to define the procedure of internal reporting of irregularities in line with the provisions of the Act on the Protection of Persons Reporting Irregularities (OG 17/2019) and according to the provisions of the INA Group Code of Ethics which are not contrary to the Act on the Protection of Persons Reporting Irregularities.*

**KEY WORDS:** reporting of irregularities, confidential person

### SCOPE

This regulation covers all affected employees of the following companies / organisations:

All INA Group employees and other natural persons conducting business for INA Group.

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### ACCESS RESTRICTIONS

NOT RESTRICTED

### ANNULMENTS

ID	Title (Type of Regulation)	Version number	Date of effect
n/a	n/a	n/a	n/a

## 2 RELATED INTERNAL OR EXTERNAL REGULATIONS

The following regulations are related to or have a direct impact on this regulation:

ID and title	Description of relation
Act on the Protection of Persons Reporting Irregularities (OG 17/2019)	This Act defines the reporting of irregularities, the procedure of reporting irregularities, the rights of persons reporting irregularities, the obligations of public authorities and legal and natural persons in relation to reporting of irregularities, as well as any other matters significant for the reporting of irregularities and protection of persons reporting irregularities.

INA Group Code of Ethics

INA Group Code of Ethics (hereinafter: the Code) covers all ethical rules adopted by the INA Group company which apply to all stakeholders in their performance of work.

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### 3 GENERAL PROVISIONS

Compliance with laws, rules and internal guidelines is the highest priority in INA Group companies.

Misconduct must be identified, resolved and remedied without delay.

All employees of INA Group companies, business partners, clients or other third parties are expected to be alert and willing to report a regulation breach if there is concrete evidence thereof.

This Regulation regulates the appointment of a Confidential Person and the procedure for internal reporting of irregularities, in accordance with the Act on the Protection of Persons Reporting Irregularities (Official Gazette, No. 17/2019), in INA Group Companies.

### 4 INTERNAL REPORTING OF IRREGULARITIES

The person reporting irregularities is obliged to conscientiously and honestly report irregularities of which he/she is aware and which he/she considers to be true at the time of reporting them.

The procedure of internal reporting of irregularities in an INA Group Company is initiated by filing a report with the Confidential Person at that company.

Reports of breaches of the INA Group Code of Ethics may be submitted through the mechanisms provided for in the INA Group Code of Ethics, where the reports which fall under the scope of the Confidential Person shall be forwarded for inspection to the Confidential Person by the INA Group Ethics Council, i.e. the Ethics Officer in an INA Group company.

During a procedure, the Confidential Person may ask the INA Group Ethics Council or the Ethics Officer of a particular INA Group Company for professional assistance in examining the report and adopting a decision regarding the report, with mandatory protection of the identity of the person reporting irregularities and the confidentiality of the report.

The report can be submitted directly in writing, sent by post, submitted electronically or orally filed on the record.

The report contains information on the person reporting irregularities, the name of his/her employer, information on the person and/or persons concerned, the date of the report and a description of the irregularity being reported.

If the report does not have the content required by law, the person reporting irregularities shall be requested to supplement or correct the report. In the event that the person reporting irregularities fails to comply with the request, the notification of the received report, together with all other necessary information, shall be forwarded to the authorities responsible for handling the content of the report.

Anonymous reports shall be forwarded to the INA Group Ethics Council, which will proceed in line with the provisions of the INA Group Code of Ethics.

Abuse of reporting irregularities is prohibited.

Abuse of reporting irregularities is committed by a person who: submits information which he/she knew to be untrue, seeks illegal gain together with the request for action in connection with the reporting of irregularities, undertakes other actions with the sole purpose of harming the employer.

#### 4.1 Reporting irregularities to the Confidential Person

The Confidential Person is an employee of an INA Group Company appointed to receive reports and conduct procedures in connection with reports filed for violations of laws and other regulations and negligent management of public goods, public funds and European Union funds that represent a threat to the public interest, and which are connected to the performance of work in that INA Group Company.

Address:

The e-mail address and mailing address of the Confidential Person of an INA Group Company will be advertised on the official website and bulletin boards of each INA Group Company, and the reporting of irregularities can also be performed verbally to the Confidential Person.

## 5 APPOINTMENT OF CONFIDENTIAL PERSON AND HIS/HER DEPUTY

### 5.1 Confidential Person

The Confidential Person is appointed by each INA Group Company, with the prior consent of that person and in consultation with the Workers' Council.

By a decision adopted by at least 20% of the employees employed in an INA Group Company, another Confidential Person may be appointed. Pursuant to the said decision, the INA Group Company shall dismiss the appointed Confidential Person and appoint a new one within one month from the adoption of the decision on revocation. Until a decision is made on the appointment of a new Confidential Person, the duties of the Confidential Person shall be performed by his/her Deputy, unless circumstances indicate that a third person should be temporarily appointed the Confidential Person.

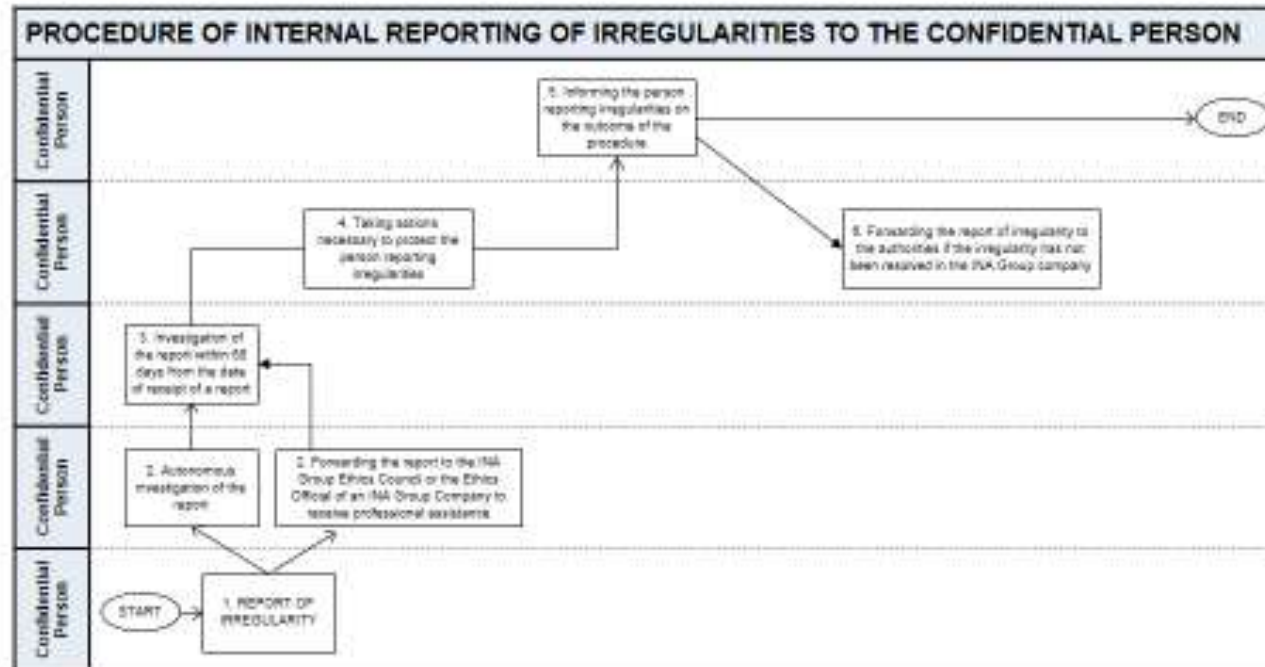
If several persons are nominated for the position of the Confidential Person, preference shall be given to the candidate who receives the support of a greater number of employees and whose selection has been supported by at least 20% of the employees of an INA Group Company.

The mandate of the Confidential Person shall last until the resignation of the Confidential Person from the function, termination of employment at the INA Group Company, or until revocation by the INA Group Company, when the Confidential Person has been appointed by the INA Group Company.

### 5.2 Confidential Person Deputy

At the proposal of the Confidential Person, the Confidential Person Deputy is appointed by an INA Group Company, with the prior consent of the person proposed to be the Deputy. All rights, powers and obligations of the Confidential Person shall appropriately apply to the Deputy. The Deputy shall act when the duty of the Confidential Person ceases for any reason until the appointment of a new person, i.e. in the case of a longer absence of the Confidential Person (30 days or more) or when specifically authorized by the Confidential Person, or in the case of a shorter absence of the Confidential Person if the situation is such that action must be taken.

## 6 PROCEDURE OF INTERNAL REPORTING OF IRREGULARITIES TO THE CONFIDENTIAL PERSON



#	Process step	Process description	Responsibilities	Connected Documents and Templates
1	Reporting irregularities	The Confidential Person receives a report and decides whether to handle the report on his/her own or with the professional assistance of the INA Group Ethics Council.	R – Confidential Person A – Confidential Person	Act on the Protection of Persons Reporting Irregularities (OG 17/2019) INA Group Code of Ethics
2, 3	Investigation of reports	<p>The Confidential Person shall, upon receipt of a report, organize and carry out the procedure for the establishment of all relevant facts and circumstances related to the report.</p> <p>The Confidential Person must handle reports promptly, coordinating and monitoring all activities regarding the reported irregularities, and keep up-to-date records thereon.</p> <p>In handling reports, all organizational units of INA Group companies must provide the Confidential Person with expert assistance, and the Confidential Person has the option of obtaining professional assistance from the INA Group Ethics Council or the Ethics Officer of an INA Group Company.</p> <p>In the process of establishing facts, all actions, including the collection of statements of workers and other persons, must be conducted in a manner that guarantees the secrecy of the procedure and the protection of the privacy of each person.</p> <p>The report must be investigated within a maximum of 60 days of receipt, and the Confidential Person shall, at the request of the reporting person, inform him/her of the course and actions taken in the procedure and allow him/her access to the file within thirty (30) days of receipt of the report.</p> <p>The Confidential Person shall, within those 60 days, draw up a written report on the actions taken and established facts, and if it considers that the report was well-founded, the Confidential Person shall also propose further steps and actions in the report to resolve the identified irregularities. The Confidential Person shall submit the written report to the President of the Management Board of the respective INA Group Company, unless the report was filed against the President of the Management Board, in which case the report shall be submitted to the INA Group Ethics Council.</p> <p>If the Confidential Person for internal reporting of irregularities determines that the reporting of an irregularity is substantially a complaint about violation of the General Data Protection Regulation, harassment or discrimination / protection of dignity, the Confidential Person is in charge of protecting the reporting person, while the procedure and method of elimination of the irregularity will be conducted in accordance with other laws and internal regulations.</p>	R – Confidential Person A – Confidential Person C – INA Group Ethics Council	<p>Act on the Protection of Persons Reporting Irregularities (OG 17/2019) INA Group Code of Ethics</p> <p>Labour Relations By-Laws Anti-discrimination Act</p>

#	Process step	Process description	Responsibilities	Connected Documents and Templates
4	Undertaking of actions required to protect reporting persons	In the event that the reporting person has made it probable that he or she may have been the victim of harmful conduct as a result of having reported the irregularity, the Confidential Person shall immediately take actions within his/her jurisdiction necessary to protect the reporting person.	R – Confidential Person A – Confidential Person	Act on the Protection of Persons Reporting Irregularities (OG 17/2019) INA Group Code of Ethics
5	Informing the reporting person	The Confidential Person shall notify the reporting person in writing of the outcome of the procedure immediately after its completion, and no later than 60 days after the receipt of the report.	R – Confidential Person A – Confidential Person	Act on the Protection of Persons Reporting Irregularities (OG 17/2019) INA Group Code of Ethics
6	Forwarding reports to the authorities if the irregularity has not been resolved within the INA Group company	The Confidential Person must forward the report on the irregularity to the bodies authorized to act upon the contents of the report, if the irregularity was not resolved within the INA Group company.  The Confidential Person must notify the competent body for external reporting of irregularities in writing of the received reports within 30 days of deciding on the report.	R – Confidential Person A – Confidential Person	Act on the Protection of Persons Reporting Irregularities (OG 17/2019) INA Group Code of Ethics

**Legend:**

R – Responsible  
A – Accountable  
C – to be Consulted  
I – to be Informed  
D – Decision-maker  
P – Prior agreement

## 7 APPENDICES

Nr	Appendix title
Appendix 1	List of modifications
Appendix 2	Glossary



## 8 LIST OF MODIFICATIONS

Version No.	Description of change	Date of effect
01	New regulation	

## 9 GLOSSARY

The terms in this Regulation importing any gender, whether masculine or feminine, shall be interpreted to mean all genders.

Certain terms in the context of this Regulation shall have the following meanings:

Term	Definition
Irregularities	Irregularities mean violations of laws and other regulations and the negligent management of public goods, public funds and European Union funds representing a threat to the public interest, which are related to the performance of work in INA Group companies.
Reporting Person	The Reporting Person is a natural person who reports irregularities that are related to performance of work in INA Group Companies.
Performance of work	Performance of work includes employment, work performed outside of employment relationship, volunteering, performance of duties, employment contracts, student jobs, participation in recruitment procedures as a candidate and any other participation in the activities of a legal or natural person.
Confidential Person	The Confidential Person is an employee of an INA Group Company appointed for receiving reports of irregularities and conducting procedures related to reporting of irregularities.
Competent body for external reporting of irregularities	The competent authority for external reporting of irregularities is the Ombudsman.
INA Group Company	Each INA Group company employs more than 50 persons.