



# WHISTLEBLOWING POLICY



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## 1. Introduction

UFI Filters Group (“the Group”) is committed to fostering a corporate culture based on ethical behaviour and good corporate governance, following the principles set out in the Group *Code of Ethics* and *Anti-Bribery Policy*.

To keep fulfilling this commitment, UFI Filters Group recognises the importance of having a *Whistleblowing Policy* (“the Policy”) governing reports of breach or suspected breach of law or regulation as well as serious misconduct that may adversely impact the Group.

The *Policy* is aimed to define the issues that may be reported and the rules to be respected by the whistleblowers, the whistleblowing channels, the role and responsibilities of the Regional and Group Whistleblowing Committees and the process to be followed to manage the reports.

## 2. Recipients

The *Policy* is addressed to Headquarter, Subsidiaries and all their personnel, which include directors, officers, managers, employees, workers in every country in which UFI Filters Group operates; collectively referred to as the “Recipients”.

## 3. Scope and area of application

The issues that may be reported by Recipients under the *Policy* can refer to:

- alleged criminal activities (felony or misdemeanour), breaches, requests or incentives to breach laws or regulations;
- behaviours contrary to the Group *Code of Ethics*, *Anti-Bribery Policy* or internal procedures;
- potential or actual serious violations relating to human rights, fundamental freedom violation, health and safety or the environment;
- retaliations for reporting any of the above issues or participating in the reporting.

Whistleblowing reports must be submitted in good faith, detailed and circumstantiated with precise information, to provide useful and appropriate information to effectively verify the validity of the events reported. The whistleblower should, reporting as objectively as possible and in detail:

- provide the names and job positions of the persons involved, or information that enables their identification;
- indicate the date and place of the event reported;
- provide all facts, information or documents (regardless of format or support) which can help substantiate the whistleblowing report. If the whistleblower is not sure that a particular fact is true, he/she must specify that it is an alleged fact;
- indicate when and how he/she became aware of the matter.

Whistleblowing reports may also be made anonymously. However, UFI Filters Group, conscious that it is more difficult to examine anonymous reports or to establish whether the allegations are substantiated,



recommends that reports include the whistleblower's name, so that the Regional and the Group Whistleblowing Committees can operate more effectively, while in any case applying the necessary protections (as specified at Paragraph 7 - "*Confidentiality and non-retaliation*").

In order to avoid any duplication in the investigation activities, the whistleblowing report is not admissible and its handling is suspended or terminated, if it appears that internal or legal proceedings or equivalent (e.g. grievance, arbitration, injunction, complaint, etc.) are impending or ongoing.

## 4. Whistleblowing channels

### 4.1 Whistleblowing channels

Recipients may submit their whistleblowing reports, on the basis of the Region they belong to, through two different channels:

- by online channel set up on the website at the following link: <https://www.ufifilters.com/en/the-group/#compliance>;
- by post to the following addresses, to the attention of the Regional Whistleblowing Committee:
  - ✓ UFI Filters USA, Inc. - 50 W Big Beaver Rd, Suite 440 - Troy, MI 48084 - USA - for reports concerning Americas;
  - ✓ UFI Filters S.p.A. - Via dell'Industria 4 - 37060 Nogarole Rocca (VR) – Italy - for reports concerning EMEA;
  - ✓ UFI Filters India Private Limited - Plot no: 123, BCD, Sector 6 HSIIDC Growth Centre - Bawal, Rewari, Haryana - India - for reports concerning India;
  - ✓ UFI Filters (Shanghai) Co.,Ltd. - 10F, Building B, No. 38 Xuxiang Road, Qingpu District, 201702, Shanghai, P.R. China - for reports concerning APAC

A report submitted to a recipient other than the competent recipient shall be transmitted, within seven days of its receipt, to the competent recipient, giving simultaneous notice of the transmission to the reporting person.

### 4.2 Supervisory Board

For reports concerning the Italian UFI Filters Group companies, the dedicated reporting channels envisaged by the Group *Code of Ethics* and the Models of Organization, Management and Control, adopted pursuant to the Italian Legislative Decree 231/2001, remain valid, therefore recipients may submit their whistleblowing reports directly to the Supervisory Board addressing the report to the dedicated e-mail address.

For a detail of the interactions between the Group Whistleblowing Committee and the Supervisory Boards see Paragraph 6.5 - "*Interaction between the Group Whistleblowing Committee and Supervisory Boards pursuant to Italian Legislative Decree 231/2001*".

### 4.3 Report to ANAC

In Italy, the National Anti-Corruption Authority (ANAC), has activated an external reporting channel that ensures that there is a channel through which external reports can be made, either in written form through the IT platform or orally through telephone lines or voice messaging systems or, at the request of the reporting person, through a face-to-face meeting set within a reasonable time.



## 5. The Whistleblowing Committees

The Board of Directors of UFI Filters S.p.A. has appointed four Regional Whistleblowing Committees and one Group Whistleblowing Committee.

### 5.1 Regional Whistleblowing Committees

Regional Whistleblowing Committees are regional bodies responsible for:

- (i) collecting all whistleblowing reports received and carrying out a preliminary screening of reports submitted by whistleblowers;
- (ii) identifying among the whistleblowing reports received, those which - after having performed a preliminary screening - in their opinion are worth to be investigated further and in these cases, immediately informing the Group Whistleblowing Committee of such reports (as set forth under Paragraph 6.1 – “*Regional Whistleblowing Committees preliminary screening*”);
- (iii) sending to the Group Whistleblowing Committee every two months a list of all whistleblowing reports collected - worthy or not of further investigation - with the following data (if known): (1) the personal data of the whistleblower; (2) the names and job positions of the persons involved; (3) the date and place of the event reported; (4) when and how the whistleblower became aware of the matter; (5) the reasons for the dismissal of the whistleblowing report in the event it has been appraised not worthy of further investigation (as set forth under Paragraph 6.1 – “*Regional Whistleblowing Committees preliminary screening*”);
- (iv) assisting the Group Whistleblowing Committee in the investigations or in-depth analyses requested by the same Committee;
- (v) communicating the results of the investigations to the Group Whistleblowing Committee, giving recommendations on possible actions to be taken.

In the event of a conflict in any decision or activity among the members of the Regional Committees, decisions on how to act shall be taken by the majority of them.

### 5.2 Group Whistleblowing Committee

The Group Whistleblowing Committee is responsible for:

- (i) performing an analysis of reports received by Regional Whistleblowing Committees;
- (ii) in case in-depth analyses are recommended, giving mandate for further investigations to the Regional Whistleblowing Committees, to a competent internal team and/or to other experts or advisors involved in special investigations (as set forth under Paragraph 6.2 – “*Group Whistleblowing Committees analysis*”);
- (iii) assessing the findings of the investigations performed;
- (iv) communicating the results of the investigations to the competent Group bodies and providing the recommendations on the actions to be implemented;
- (v) for whistleblowing reports concerning the Group Italian companies, coordinating its activities with the Supervisory Boards ex Italian Legislative Decree 231/2001.



## 6. Management of the whistleblowing reports

### 6.1 Regional Whistleblowing Committees preliminary screening

All whistleblowing reports undergo a preliminary screening by the competent Regional Whistleblowing Committee in order to verify the need to perform further checks to ascertain the facts reported (the “*Preliminary Screening*”).

The Regional Whistleblowing Committee notifies the receipt of the report within seven days from the date of receipt.

Such *Preliminary Screening* is aimed at verifying if reports are compliant to the provisions defined at Paragraph 3 (“*Scope and area of application*”) and, in particular, at ascertaining, *prima facie*, the admissibility, grounds, relevance and reliability of the whistleblowing reports and the precision, concordance and reliability of the factual elements on which they are based.

If upon the conclusion of the *Preliminary screening*, the Regional Whistleblowing Committee considers the report received worth to be investigated further, it transmits by e-mail the report (after having translated it, if necessary) plus the *Preliminary Screening* notes to the Group Whistleblowing Committee.

If instead the Regional Whistleblowing Committee considers that the issues reported fall outside the scope of the present *Policy* or that the information provided are inadequate, it draws up a note explaining the analysis performed and the reasons for the dismissal of the whistleblowing report. In this event, on bi-monthly basis, the Regional Whistleblowing Committee transmits to the Group Whistleblowing Committee a list of the reports received and the notes drawn up.

The Group Whistleblowing Committee, after a review of such a list, may ask the Regional Whistleblowing Committee for further details and decide the opportunity of further analysis on the reports dismissed by the Regional Whistleblowing Committee.

### 6.2 Group Whistleblowing Committee analysis

All whistleblowing reports (with the *Preliminary Screening* notes) transmitted by Regional Whistleblowing Committee undergo an analysis by the Group Whistleblowing Committee.

If the Group Whistleblowing Committee considers that it is necessary to investigate further, it prepares a request for an in-depth analysis (i.e. investigation) with clear identification of the objectives of the verification, giving a detailed mandate to a competent internal team (which may be also the Regional Whistleblowing Committee) and/or external advisors (the “*Investigation Team*”).

Otherwise, the Group Whistleblowing Committee draws up a note explaining the reasons for the dismissal of the whistleblowing report. The Group Whistleblowing Committee is responsible for filing such a note - together with the whistleblowing report and the *Preliminary Screening* notes received from the Regional Whistleblowing Committee - in its specific archive.

### 6.3 In-depth analysis and drafting of the *Investigation Report*

Once the mandate for an in-depth analysis to be carried out has been received, the Investigation Team draws up the detailed scope of work, showing the plan of activities and relevant execution times, in order to fulfil the indicated investigation objectives.



The Investigation Team carries out targeted verifications in relation to the information available on the whistleblowing report, which allow for the identification, analysis and evaluation of any elements that can confirm the reported issues.

At the end of the in-depth analysis the Investigation Team drafts the *Investigation Report* which must:

- summarise the conduct of the investigation and the evidences;
- draw conclusions about the extent of any non-compliance;
- provide recommendations and suggest adequate action plans to remedy the non-compliance, which aim to ensure that it does not recur in the future (the “Action Plan(s)”).

#### **6.4 Analysis of the *Investigation Report*, communication and reporting**

Once it has received the *Investigation Report*, the Group Whistleblowing Committee evaluates its adequacy in terms of correspondence of the results obtained to the objectives of control and verification of the facts denounced in the whistleblowing report.

In the event that the Group Whistleblowing Committee considers necessary to perform further in-depth analysis, it interacts with the Investigation Team, asking it to carry out further checks.

After the analysis of the *Investigation Report*, the Group Whistleblowing Committee approves it, filing it along with the whistleblowing report in its specific archive and communicating the results (i) to the Board of Directors of UFI Filters S.p.A., (ii) to the COO or CEO of the Region where the whistleblowing report has been submitted and (iii) to the Head of the Department that may be involved in the contents of the whistleblowing report.

In such communications, the Group Whistleblowing Committee may provide recommendations on the actions to be implemented, including whether it is necessary to take disciplinary action.

In any case, the Human Resources Department will be the ultimate body to handle any disciplinary actions.

Acknowledgement will be provided to the person who issued the report within the period of three months from the date of acknowledgement of receipt of the report referred to in Section 6.1

The Group Whistleblowing Committee draws up a *Six-monthly informative* of the activities carried out and the progress of the Action Plans set out in the *Investigation Reports* and transmit it to the Board of Directors of UFI Filters S.p.A.

#### **6.5 Interactions between the Group Whistleblowing Committee and Supervisory Boards ex Italian Legislative Decree 231/2001**

The Group Whistleblowing Committee and the Supervisory Boards of the Italian UFI Filters Group companies cooperate to ensure, within their respective areas of responsibility, the success of the Group whistleblowing system.

In particular, both the Group Whistleblowing Committee and the Supervisory Boards promptly transmit each other whistleblowing reports that can affect the respective areas of responsibility, coordinating their investigation activity.

The Group Whistleblowing Committee transmits to the Supervisory Boards of the Italian UFI Filters Group companies an extract of the *Six-monthly informative* to the Board of Directors of UFI Filters S.p.A. with the detail of the whistleblowing reports concerning the respective Italian company and the relevant *Investigation Reports*.



Likewise, the Supervisory Boards transmit to the Group Whistleblowing Committee an extract of their periodic reports to the Boards of Directors concerning the whistleblowing reports received.

## 7. Confidentiality and non-retaliation

UFI Filters Group encourages Recipients to promptly report the issues defined at Paragraph 3 (“*Scope and area of application*”), and in doing so the Group guarantees the confidentiality of the identity of the whistleblower as well as of the whistleblowing report and the information it contains.

Reports cannot be used beyond what is necessary to adequately follow up on them.

The whistleblower identity will be kept confidential at all the stages of the process and will not be disclosed without the express consent of the reporting person, to persons other than those responsible for receiving or following up reports, expressly authorized to deal with such, unless the disclosure is required by local laws.

In the context of disciplinary proceedings, the identity of the reporting person will not be disclosed, where the disciplinary charge is based on investigations that are separate and additional to the report, even if consequent to the report. Where the charge is based, in whole or in part, on the report and the knowledge of the identity of the reporting person is indispensable for the defense of the accused, the report will be usable for the purposes of disciplinary proceedings only if the reporting person expressly consents to the disclosure of his or her identity.

Any kind of threat, retaliation, penalty or discrimination against the whistleblower (due to the submission of a report) or any member of the Investigation Team will not be tolerated. UFI Filters Group reserves the right to take the appropriate actions against anyone who retaliates or threatens to retaliate against the whistleblower who have submitted a report in accordance with this *Policy*. Examples of retaliatory behaviour include (but are not limited to) harassment, denial of promotion, benefits or pay, reassignment or exclusion.

At the same time, the Group recognises the right of the affected parties to seek legal protection if the whistleblower is found to be criminally or civilly liable for falsehoods in his/her statements or reports.

## 8. Sanctions

UFI Filters Group will evaluate disciplinary actions for behaviours contrary to laws, *Code of Ethics*, *Anti-Bribery Policy* or internal procedures, attributable to Group personnel that emerge as a result of the investigation carried out on the whistleblowing reports.

As detailed at Paragraph 6.4 (“*Analysis of the Investigation Report, communication and reporting*”), the Group Whistleblowing Committee, once notified about the findings of the investigation, will provide to the Board of Directors of UFI Filters S.p.A., to the COO or CEO of the Region where the whistleblowing report has been submitted and to the Head of the Department that may be involved, recommendations on the actions to be implemented, including whether it is necessary to take disciplinary action.

The UFI Filters Group will take appropriate disciplinary and/or legal measures to protect its rights, assets and reputation against anyone who, in bad faith, has made false, unfounded or opportunistic reports and/or has made reports for the sole purpose of defaming, slandering, or causing damage to the reported party or to other parties mentioned in the whistleblowing report.