



Whistleblowing: Frequently Asked Questions (FAQ)

1. What is the Whistleblowing Reporting Channel?

CAREL INDUSTRIES S.p.A. (hereinafter also “**Carel**”) has adopted a process for managing reports, including anonymously, capable of contributing to the prevention of offences, irregularities or conduct in violation of the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001, the Code of Ethics, internal and/or external regulations (e.g. on corruption, antitrust, etc.) or in any case likely to cause damage to Carel, even if only in terms of image or reputation (the “**Report**” or the “**Reports**”).

The report management process was set up to implement Legislative Decree no. 24 of 10 March 2023 (the “**Decree**”) *“Implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report violations of Union law and laying down provisions regarding the protection of persons who report violations of national regulatory provisions”*.

Carel has implemented a dedicated IT platform (the “**Platform**”) to submit and manage reports.

2. Who can make a report?

The following can make a Report:

- Carel employees;
- collaborators, self-employed workers, freelancers and consultants working for Carel;
- Carel providers;
- paid and unpaid volunteers and trainees working at Carel;
- Carel shareholders and persons with administration, management, control, supervision or representation functions, even if such functions are exercised on a de facto basis.

In general, reports may be submitted by anyone who has or has had a working or business relationship with Carel (the “**Whistleblower**”).

3. What can be reported?

The persons identified in the paragraph above may report the following types of situations and overt or suspicious conduct of which they have knowledge or become aware during their working activity:

- conduct constituting administrative, accounting and civil offences;
- criminally relevant conduct, which may constitute offences (crimes and misdemeanours);
- conduct that may constitute irregularities or in any case in violation of laws, regulations or provisions of the Authorities;
- violations of the principles contained in the Code of Ethics;

- violations of the principles contained in the Organisational Model pursuant to Legislative Decree 231/2001 or implementing tools (e.g. procedures);
- conduct capable of causing financial damage (fraud, embezzlement, conflicts of interest) or reputation damage to Carel;
- conduct that violates the rules on product safety and conformity or consumer protection;
- conduct contrary to the protection of personal data, as well as network and information system security;
- actions or omissions that violate corporate tax rules;
- conduct likely to cause damage to the health or safety of employees, users and citizens or to cause damage to the environment;
- offers, receipt of or requests for money, goods or other benefits from and to third parties or employees of Carel;
- conduct capable of causing harm to the public interest.

4. How can a Report be sent?

Carel provides several channels to send reports.

Website

If you choose to send a Report via the “Convercent” platform, which can be reached via the following link [Whistleblowing \(carel.co.uk\)](https://whistleblowing.carel.co.uk), you will be asked to provide the information necessary to substantiate the Report and allow the appropriate investigations to be carried out.

When completing the Reporting procedure, you will be given the option to remain anonymous, or to disclose your identity and contact details. Where the report is made anonymously, Carel will treat it, if substantiated, as an ordinary report, unless the report is subsequently supplemented with the personal details of the whistleblower for the purposes of acquiring the possible protections referred to in the Whistleblowing Decree.

Carel undertakes to acknowledge receipt of the Report within a maximum of seven days. We could also ask questions following the report to investigate the issue further.

Postal Service

If you choose to submit the Report using the postal service, you should address it to “Organismo di Vigilanza di CAREL Industries S.p.A. - Via dell'Industria, 11, 35020, Brugine PD”; in this case, in order to ensure confidentiality, the Report must be placed in two sealed envelopes: the first with the identification data of the Whistleblower together with a photocopy of the identity document; the second with the report, so as to separate the identification data of the Whistleblower from the Report. Both must then be placed in a third sealed envelope marked “Confidential” on the outside, for the attention of the manager of the Report.

Verbally through a meeting with the person in charge of managing the Reports

It is possible to request to make a Report through a face-to-face meeting with the person in charge of managing the Reports. In this circumstance, subject to your consent, the person in charge of managing the Reports will document the Report by means of a device suitable for storage and recording or by means of minutes. If minutes are drawn up, the Whistleblower may check, correct and confirm the minutes of the meeting by signing them.

In addition, it is possible to make a confidential telephone Report through the platform.

5. For what reasons should I file a Report?

Reports that are made in good faith and in the interest of the common good they may enable us to detect in time any wrongful behaviour that may harm Carel and remedy it.

6. Can I use the whistleblowing channel whenever I have a question to raise?

The Whistleblowing channel is dedicated solely to the Reports covered by the Decree and indicated in question 3 "*What can be reported?*".

7. Who can see my Report? Who investigates the Report?

The person in charge of managing your Report is the Supervisory Board, which is bound to strict confidentiality and which is the only person authorised to know your Report and your identity.

The person in charge of managing your Report checks its content in order to assess the facts that are the subject of the Report and to enable the necessary measures to be taken to prevent or sanction the irregularities or offences identified.

8. How do I know that the reported party of my Report will not see it?

The confidentiality of the identity of the Whistleblower is guaranteed, in full compliance with the provisions of the Decree. Any form of retaliation or discrimination as a consequence of the Report is prohibited.

9. How do I know what happens as a result of my Report?

Upon receipt of the Report, Carel issues an acknowledgement of receipt to the Whistleblower within seven days from its receipt.

Depending on the complexity of the case, some investigations may take some time to be completed.

In some cases, the person in charge of managing your Report may contact you to ask for further details about the case, in order to be able to investigate it further.

For confidentiality reasons, in some cases the information we can provide about the details of the investigation or about its outcome is limited.

The person in charge of managing your Report will decide whether and what action to take after having carried out the appropriate investigations.

10. When will I receive a reply to my Report?

We will notify you of the receipt of the Report within seven days from its receipt.

In any case, you will receive a reply to the Report within three months from the date of the acknowledgement of receipt or, in the absence of such an acknowledgement, within three months from the expiry of the seven-day period from submitting the Report.

11. If I use the telephone channel to make a Report, will my call be recorded?

No. However, in order to create a report on the Report submitted, the person in charge of managing your Report will, with your consent, take note of the call and summarise the issues in a detailed report.

12. Can I make a Report anonymously? If I identify myself, will my identity be kept confidential?

Yes, it is possible to make a Report anonymously and Carel will protect your anonymity in all cases. In the case of an anonymous Report, it will not be possible to apply the legal protection provided by the Decree against retaliation to a specific person.

In any case, all Reports are treated as confidential and reserved.

If you make a Report by identifying yourself, the confidentiality of your identity will be protected in accordance with the Decree.

Moreover, it should be borne in mind that absolute confidentiality cannot be guaranteed in all the circumstances. In some cases, disclosure to third parties, inside or outside Carel, may be required by law. For instance, legal obligations may require disclosure in the case of money laundering reports.

Do not let this possibility discourage you from reporting a problem.

13. What happens if someone I have reported on finds out about it?

Carel encourages people to report issues relating to behaviours that may be unethical, illegal, in violation of professional standards or otherwise not in accordance with the Code of Conduct.

Retaliation is a serious violation of the provisions of the Decree and is subject to disciplinary actions (up to and including dismissal), as well as to civil and criminal consequences.

14. Can I suffer repercussions if I make a Report? Do I have to have proof that someone is doing something wrongful before making a Report?

We encourage you to report any legitimate situation that concerns you in good faith, even if you have no evidence of an offence. When making your Report, always provide as much information and as many details as possible about your concerns in order to encourage a thorough investigation. Naturally, slanderous, defamatory or otherwise intentionally false Reports will be dealt with in accordance with the applicable rules.

15. Are there other channels, besides internal ones, to make Whistleblowing Reports?

No.

The Whistleblower may make an external report if one of the following conditions is met:

- the internal reporting channel is not provided for, has not been activated, or does not comply with Legislative Decree no. 24/2023;
- the Whistleblower had previously made an internal report, which was not followed up;
- the Whistleblower has reasonable reasons to believe that any internal report would not be adequately followed up or that there is a risk of retaliation.
- there are well-founded reasons for an imminent or obvious danger to the public interest.

An external report can be made to the Autorità Nazionale Anticorruzione (National Anticorruption Authority - ANAC) through the dedicated channel and in accordance with the methods provided for by it (<https://www.anticorruzione.it/-/whistleblowing>)



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