

**WHISTLEBLOWER POLICY
FOR THE HEMPEL FOUNDATION'S WHISTLEBLOWER ARRANGEMENT
REGARDING BENEFICIARIES**

WHISTLEBLOWER POLICY

1 INTRODUCTION AND PURPOSE

This Whistleblower Policy describes the purpose of the Hempel Foundation having introduced a Whistleblower Arrangement regarding Beneficiaries (hereinafter referred to as the "**Arrangement**"), how it works, who can make use of the Arrangement, and what may be reported through the Arrangement.

Pursuant to Section 77 of the Danish Act on Commercial Foundations, the boards of directors of the Hempel Foundation are obliged to distribute grants for the purposes stipulated in the bylaws. Furthermore, Section 88 of the Act provides that, generally, a recipient of a grant must repay the grant if the distribution thereof has taken place in contravention of the law. Against this background, the Hempel Foundation is obliged to ensure that the Foundation's distribution of grants takes place within the framework of the terms and conditions determining the distribution of grants as set out by the Hempel Foundation.

The purpose of the Arrangement is to ensure that persons with knowledge or reasonable suspicion of a beneficiary and/or other participants in the project having misused a grant from the Hempel Foundation or used it contrary to the terms and conditions set out by the Hempel Foundation, are able to swiftly, confidentially and outside the ordinary communication channels - through a special, independent and autonomous channel - report such potential violations to the Hempel Foundation, allowing an independent and autonomous unit to assess which steps are required in this respect.

This whistleblower policy only applies to the Hempel Foundation. Hempel A/S has its own whistleblower arrangement, which is available on Hempel A/S' website.

2 WHO CAN USE THE ARRANGEMENT?

The Arrangement can be used by persons with knowledge or reasonable suspicion of a beneficiary and/or other participants in the project having misused or used a grant contrary to the terms and conditions set out by the Hempel Foundation.

3 WHAT MAY BE REPORTED THROUGH THE ARRANGEMENT?

Reports may only be submitted through the Arrangement regarding a beneficiary's misuse or use of a grant in contravention of the terms and conditions set out by the Hempel Foundation.

By way of example, reports can be filed through the Arrangement in the following cases:

- If a beneficiary has used the funds of a grant for other purposes than the purposes of the project.
- If a beneficiary has used the funds of a grant for private purposes.
- If a beneficiary has received a grant on basis of misrepresentations.
- If the award of a grant has involved bribery, fraud, forgery, and the like.
- If a grant has taken place in contravention of the bylaws of the Hempel Foundation, the provisions of the Danish Act on Commercial Foundations, or other rules and regulations applicable to the activities of the Hempel Foundation.

Consequently, reports can also be submitted if other participants in the project have misused the funds.

Reports can be submitted through the Arrangement when the reporting person has knowledge of the matter and also when the reporting person has a suspicion of the matter. It is emphasized that the Arrangement is a voluntary alternative to the ordinary communication channels.

Violations that cannot be reported through the Arrangement must be reported through the normal communication channels. This means that if the violation does not concern a beneficiary's misuse or use of the grants

from the Hempel Foundation in contravention of the terms and conditions set out by the Hempel Foundation, reporting must take place through another channel. Please note in this connection that the Hempel Foundation has also established a whistleblower arrangement through which persons connected with the Hempel Foundation can report violations and serious offences committed by the Hempel Foundation's employees, members of the boards of directors or executive boards as well as auditors, lawyers, suppliers, etc. connected with the Hempel Foundation. This whistleblower arrangement, including the whistleblower policy, can be found [here: https://www.hempelfonden.dk/en/who-we-are/governance/whistleblower](https://www.hempelfonden.dk/en/who-we-are/governance/whistleblower).

The Hempel Foundation supports many different projects and therefore a grant may have been awarded to undertakings, private individuals, etc. If an offence is not covered by the Arrangement, the Hempel Foundation urges the person who has knowledge of such offence to pass on the information through the normal communication channels. If the beneficiary is an undertaking, the information may for instance be disclosed by contacting the management of the undertaking directly. If the beneficiary is a private individual, disclosure could be made to the relevant authority, depending on the nature of the offence.

When receiving a report through the Arrangement that falls outside the scope of matters that can be reported, the Hempel Foundation will handle the report as described in section 7 below.

When submitting a report through the Arrangement, the reporting person should, to the extent possible, provide the following information:

- a description of the matter;
- the persons involved;
- whether others are aware of the suspicion about the matter;
- whether documents exist that support the matter;
- whether and where further information may be found about the matter;
- for how long the matter has gone on; and
- whether attempts have been made to hide the offence.

*The Hempel Foundation distributes each year a large number of grants and therefore it is **important** that the reporting person clearly identifies the beneficiary who is the subject of the report.*

To facilitate Hempel Foundation's investigation of the report, it is important that the reporting person describes the offence in the best possible way. It is not possible to make further investigations of a report if it only contains, for instance, very general allegations without any further specification.

Manifestly unfounded reports will not be investigated further. In the event of a false report submitted through the Arrangement not in good faith, the reported person will be informed about the identity of the reporting person, provided the identity has been disclosed in the report. An assessment will be made as to whether a false report will give rise to legal action.

4 WHO IS TO RECEIVE THE REPORT?

The Hempel Foundation has appointed a whistleblower unit that

- (a) will receive the reports and be in contact with the whistleblower;
- (b) will follow up on the reports; and
- (c) give feedback to the whistleblower.

The whistleblower unit consists partly of two lawyers from Plesner Law Firm (hereinafter referred to as "**Plesner**") and partly of an impartial group of persons at the Hempel Foundation.

Reports are to be submitted through Plesner's Whistleblower Arrangement that can be found on Hempel Foundation's [website](https://www.hempelfonden.dk/en/who-we-are/governance/whistleblower): <https://www.hempelfonden.dk/en/who-we-are/governance/whistleblower>.

It is possible to report anonymously through the Arrangement.

If the whistleblower chooses to submit an anonymous report, it is recommended - to ensure full anonymity - that the whistleblower uses a private PC or, for instance, a PC located at a public library.

The Hempel Foundation recommends the whistleblower to state his or her name when submitting a report so that the whistleblower unit is able to ask clarifying questions and subsequently provide feedback about the further course of the investigation. However, it is possible to have anonymous communication between Plesner and a whistleblower who chooses to be anonymous (see below).

Plesner will make a communication module available, allowing the whistleblower to communicate with Plesner for the purpose of providing additional information about the reported issue, which Plesner will then pass on to the whistleblower unit. To safeguard the whistleblower's anonymity towards the Hempel Foundation, it is also possible for the whistleblower to communicate anonymously with Plesner through the communication module. Thus, it is possible by means of the communication module in the Arrangement to provide additional information and remain anonymous. In connection with the reporting, a one-off code is generated which, in order to safeguard the anonymity, cannot be re-created. Therefore, it is **important** that the whistleblower keeps the code and remembers to log on the communication module to communicate with the whistleblower unit.

The communication module can be accessed through the above-mentioned link under the Arrangement to log on the communication module. It is important that the whistleblower regularly enters the communication module to check whether Plesner has asked any questions. Plesner is not able to come into contact with the whistleblower in any other ways, for instance to inform the whistleblower that additional questions etc. have been submitted. The report is received by two lawyers from Plesner who will make a legal capacity assessment of the persons who are able to process the report at the Hempel Foundation. The report will then be forwarded to the relevant case manager at the Hempel Foundation.

All parties involved, including the Hempel Foundation and Plesner, will treat all reports as confidential.

5 PROTECTION OF THE REPORTING PERSON

If a person submits a report in good faith through the Arrangement, which subsequently turns out to be unfounded, this will not have any negative consequences or implications for the reporting person.

The Hempel Foundation will not accept that a person deliberately submits false reports. If a person deliberately submits a false report, this may have legal consequences.

Information on the identity of the reporting person will basically not be disclosed to the person affected by the report. However, the identity will be disclosed if it turns out that a false report has been deliberately submitted or if the Hempel Foundation is under an obligation to do so. Pursuant to Article 15 of the General Data Protection Regulation, the data subject has a general right to access, unless - pursuant to Section 22 of the Danish Data Protection Act - an exemption can be made to the data subject's request in this respect.

Also, the identity of the reporting person can be revealed in connection with any subsequent legal proceedings concerning the reported issue.

6 INFORMATION TO THE REPORTED PERSON AND THE REPORTING PERSON

The person concerned by a report submitted through the Arrangement will be informed in this respect as soon as possible after a preliminary investigation has taken place and all relevant evidence has been secured. The person in question will for instance be informed about:

- the identity of the person/group of persons responsible for the investigation of the report;
- the issues of the report; and

- the persons who have seen the report.

Reference is also made to the Privacy Policy for the Whistleblower Arrangement, which can be found [here: https://www.hempelfonden.dk/en/who-we-are/governance/whistleblower](https://www.hempelfonden.dk/en/who-we-are/governance/whistleblower), regarding the duty of information pursuant to the General Data Protection Regulation in relation to reported persons and persons submitting a report.

7 DATA SECURITY AND DATA STORAGE

The Hempel Foundation and Plesner will process all information reported through the Arrangement, including information on reported persons under the Arrangement, in accordance with applicable law in force at any time.

All reports will be stored properly, and it will only be possible for relevant persons to access the information.

Reports that turn out to be manifestly unfounded will be closed immediately.

A report falling outside the scope of categories of violations that can be reported through the Arrangement (see section 3) will be processed as follows:

If the beneficiary is a legal entity, the Hempel Foundation will contact persons at the beneficiary in order to appoint a person who can receive the report. This contact takes place on an ad-hoc basis in the event that the Hempel Foundation receives a report. Before taking contact and forwarding the report, the Hempel Foundation will ensure, to the extent possible, that the reported matter does not concern the appointed person.

If the beneficiary is a natural person/private individual, the Hempel Foundation will pass on the report to the relevant authority, if any (e.g. the police or the Central Tax Administration). Subsequently, the Hempel Foundation will take no further steps in the matter. If the report concerns cases that are not suited for being treated by an authority, the Hempel Foundation will forward the report to the beneficiary.

If the matter is reported to the police or another authority, the report will be closed immediately after the case has been closed by the authorities in question.

Reports will be deleted from the Arrangement 45 days after the Hempel Foundation has finalized the processing.

Otherwise, the report is stored in accordance with the deletion policy of the Hempel Foundation.

8 QUESTIONS

If you have any questions regarding this Whistleblower Policy, you are welcome to contact executive director Anders Holm, andho@hempel.com.

9 UPDATING

This Whistleblower Policy has been updated on or before: November 21