


IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 1/11

SYSTEM PROCEDURE
Internal reporting and whistleblower protection in the public interest
PS.04

APROVED

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IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 2/11

Contents

1. Record of procedural changes	3
2. Content of the procedure.....	4
2.1. Purpose of the procedure. Definitions. Abbreviations. Acronyms	4
2.2. Scope	5
2.3. Reference documents	5
2.4. Principles	6
3. Description of the procedure	7
3.1 General	7
3.2 Content, retention and variants of reports	7
3.3 Obligation to maintain confidentiality.....	8
3.4 Internal reporting obligations.....	8
3.5 Classification of internal reporting.....	8
3.6 Special provisions.....	9
4. Responsibilities.....	9
5. Forms and annexes.....	10
6. Procedure distribution list	11

	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Ediția I Revision 0
		Page 4/11

2. Content of the procedure

2.1 Purpose of the procedure. Definitions. Abbreviations. Acronyms

2.1.1 The present procedure regulates the way in which employees or collaborators may signal and report cases of violations of the law and irregularities encountered in a professional context in the course of work at IAR SA (IAR).

2.1.2 The procedure also describes the record of internal reports, their management and measures for the protection of employees who have complained or reported violations of the law and internal rules in IAR, committed by persons in managerial or executive positions in IAR.

2.1.3 Definitions

1. *Breaches of the law* - acts consisting of an action or inaction constituting a failure to comply with legal provisions, concerning areas such as: Public procurement; financial services, products and markets, and the prevention of money laundering and terrorist financing; product safety and compliance; transportation safety; environmental protection; radiological protection and nuclear safety; food and feed safety, animal health and welfare; public health; consumer protection; the protection of privacy and personal data and the security of information networks and systems, violations affecting financial interests, as well as violations relating to the internal market in respect of acts which infringe corporate tax rules or schemes the purpose of which is to obtain a tax advantage contrary to the subject matter or purpose of the applicable corporate tax law, which constitute misconduct, contraventions or offenses, or which contravene the object or purpose of the law;

2. *information concerning violations of law* - information, including reasonable suspicion, about actual or potential violations of law which have occurred or are likely to occur within the company, in which the whistleblower works or has worked in the public interest or with which the whistleblower is or has been in contact through his or her business, as well as information about attempts to conceal such violations;

3. *reporting* - the oral or written communication of information, in the manner provided for in Chapter 3, concerning any act constituting a violation of the law;

4. *internal reporting* - the oral or written communication of information on breaches of the law within a public authority, public institution, legal person governed by public law, as well as within legal persons governed by private law. Internal reporting is realized through the means provided by the authorities, public institutions, legal persons governed by public law and legal persons governed by private law for reporting violations of the law, which constitute the internal reporting channels;

5. *external reporting* - the oral or written communication of information on breaches of the law through the external reporting channels represented by the authorities referred to in item 15;

6. *public disclosure* - making information on violations of the law available to the public in any way;


7. *public whistleblower* - an individual who makes a report or publicly discloses information on violations of the law obtained in a professional context;

8. *facilitator* - the natural person who assists the public interest whistleblower in the reporting process in a professional context and whose assistance must be confidential;

9. *professional context* - current or previous professional activities of any kind, whether paid or unpaid, in the authorities, public institutions, other legal persons under public law, as well as in legal persons under private law, on the basis of which individuals may obtain information on violations of the law and may suffer reprisals for reporting them;

10. *worker* - a natural person who is in an employment relationship or employment relationship under the relevant common or special provisions of law and performs work for remuneration;

11. *person named in the report* - the natural or legal person referred to in the report or in the public disclosure as the person to whom the violation of the law is attributed or with whom that person is associated;

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 5/11

12. retaliation - any act or omission, direct or indirect, occurring in a professional context, which is prompted by the internal or external reporting or public disclosure and which causes or may cause harm to the whistleblower in the public interest;

13. follow-up - any action taken by the addressee of an internal report or by the competent authority to resolve the report and, where appropriate, to remedy the reported breach;

14. informing - transmission to the whistleblower of the report.

15. authority competent to receive reports of violations of the law means:

- a) public authorities and institutions which, according to special legal provisions, receive and deal with reports of violations of the law, within their area of competence;
- b) the National Integrity Agency, hereinafter referred to as the Agency;
- c) other public authorities and institutions to which the Agency forwards the reports for competent resolution;

16. designated person - the person in charge of the tasks referred to in Art. 10 para. (1) lit. c) of Law 361/2022, appointed at the level of the authority, public institution or within legal persons under private law, as well as within other legal persons under public law. Depending on the number of employees, the duties may be performed by a person, a department or may be outsourced to a third party, hereinafter referred to as the appointed third party.

2.1.4. Abbreviations and acronyms

DG - Director General;

IAR SA - IAR SA Company;

DP - Designated Person;

AIP- Public Interest Adviser.

Throughout the procedure abbreviations/acronyms are used which are explained at first appearance in the text.

2.2. Scope of application

The procedure applies to all employees of IAR SA, in order to implement the legislation on the protection of persons who report violations of the law, which have occurred or are likely to occur.

2.3 Reference documents

- **Regulation (EU) 2016/679** of the European Parliament and of the Council of April 27, 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data;

- **Law No. 363/2018** on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of prevention, detection, investigation, prosecution and combating of criminal offenses or the execution of penalties, educational and security measures, and on the free movement of such data;


- **Directive (EU) 2019/1.937** of the European Parliament and of the Council of October 23, 2019 on the protection of persons reporting breaches of Union law;

- **Law No 361 of December 16, 2022**, on the protection of whistleblowers in the public interest;

- **Law No. 798/2000** on the prevention, detection and sanctioning of acts of corruption, with subsequent additions and amendments;

- **Government Ordinance No. 119/1999** on internal/managerial control and preventive financial control, republished, as amended and supplemented;

- **Law No. 31/1990** on Commercial Companies, as subsequently amended and supplemented;

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 6/11

- Internal Regulation - Code of Ethics of IAR SA;
- Collective Labor Contract within IAR SA;

2.4. Principles

2.4.1. General principles

The principles governing the protection of reports of breaches of the law are as follows:

- a) *the principle of legality*, according to which the authorities, public institutions, other legal persons governed by public law, and legal persons governed by private law have an obligation to respect fundamental rights and freedoms by ensuring full respect for, inter alia, freedom of expression and information, the right to protection of personal data, the freedom to conduct a business, the right to a high level of consumer protection, the right to a high level of human health protection, the right to a high level of environmental protection, the right to an effective remedy, and the right of defense;
- b) *the principle of accountability*, according to which the public interest whistleblower has an obligation to provide data or information on the facts reported
- c) *the principle of impartiality*, according to which the examination and settlement of reports shall be carried out without subjectivity, irrespective of the convictions and interests of the persons responsible for dealing with them
- d) *the principle of good administration*, according to which public authorities and institutions, other legal persons governed by public law are required to carry out their work in the general interest, with a high degree of professionalism, in conditions of efficiency and effectiveness in the use of resources
- e) *the principle of balance*, according to which no person may avail himself/herself of the provisions of Law 361/2022 in order to diminish the administrative or disciplinary sanction for a more serious act of his/her own that is not related to the reporting;
- f) the principle of good-faith, according to which the person who had reasonable grounds to believe that the information relating to the reported violations was true at the time of reporting and that such information fell within the scope of Law 361/2022 is protected.

3. Description of the procedure

3.1. General

(1) *Act No. 361/2022* on the protection of whistleblowers in the public interest constitutes the general framework for the protection of persons who report breaches of the law, which have occurred or are likely to occur, within authorities, public institutions, other legal persons governed by public law, as well as legal persons governed by private law, which transposes Directive (EU) 2019/1.937 of the European Parliament and of the Council of October 23, 2019 on the protection of persons reporting breaches of European Union law.


(2) Taking into account the importance of the possible effects produced by the reporting, the need to establish unequivocally the conduct to be followed in certain situations, specifically, as well as the obligations provided for in the law no. 361/2022, it is appropriate to regulate through a system concern the main aspects provided for by the law.

(3) This procedure covers the methods of internal reporting of cases of violations of the law, the content and record of internal reports, the examination and settlement of reports of violations of the law, the filing of such reports, the rights and obligations of persons making reports, their protection measures within IAR SA.

(4) In accordance with Law no. 361/2022, the methods of reporting are as follows:

- (a) internal reporting;
- b) external reporting.

(5) Reporting on violations of the law is mainly carried out through existing internal reporting channels. However, the public interest whistleblower reporting a breach of the law may choose between the internal reporting channel and the external reporting channel.

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 7/11

When choosing the reporting channel the public interest whistleblower may take into account aspects such as:

- (a) eliminating the existence of the risk of retaliation if reporting through internal channels;
- (b) the inability to remedy the breach effectively through internal reporting channels.
- (6) In order to ensure internal reporting of violations, the DG shall appoint by decision an employee within IAR SA who will be responsible for receiving, recording, examining, taking follow-up action and resolving internal reporting of such cases - referred to as the Designated Person - DP. This employee shall act with diligence, impartiality, in the spirit and letter of the law and who shall be independent in the performance of these duties.
- (7) Public interest warnings addressed to IAR SA shall be made mainly through existing internal reporting channels.
- (8) Internal reporting within the IAR SA on cases of violations of the law may be made:
 - in writing, in the form of a map deposited at IAR SA's headquarters, in the box for complaints and claims, disposed at the access point no. 1, or in electronic format, at the email address: „avertizor.integritate @iar.ro,,;
 - by face-to-face meeting, with the PD at the request of the AIP;
- (9) Upon receipt of an internal report, the PD shall register the referral in the Register of internal reports of violations of the law and inform the DG of IAR SA of its receipt.

3.2 Content, retention and reporting variants:

(1) The report shall contain, at a minimum, the following:

- full name,
- contact details of the public interest whistleblower,
- the professional context in which the information was obtained,
- the person concerned, if known,
- description of the fact likely to constitute a breach of the law within IAR SA
- evidence in support of the report,
- date and signature, where appropriate.

(2) By exception to the provisions of paragraph. (1), a report that does not include the name, surname, contact details or signature of the public interest whistleblower shall be examined and dealt with to the extent that it contains prima facie evidence of violations of the law.

(3) Internal reports shall be entered by the DP in a register, which shall contain:


- date of receipt of the report,
- full name,
- contact details of the public interest whistleblower,
- the subject of the report and how to resolve it.

(4) The DP will keep track of reports in the register. The register shall be kept in electronic format. IAR SA through the PD shall be required to maintain statistics on reports concerning breaches of the law and keep records of all reports received in compliance with confidentiality requirements.

(5) Reports shall be kept for 5 years. After expiration of the 5-year retention period, they shall be destroyed, irrespective of the medium on which they are kept.

(6) If the AIP requests that the reporting take place in the presence of the DP, the DP shall be obliged to draw up a record of the record in a durable and accessible form, subject to the consent of the AIP. The DP shall provide the AIP with the opportunity to verify, rectify and agree to the record of the conversation by signing it.

(7) If the AIP does not consent to the transcription or recording of the conversation, the AIP is directed to report in writing in hard copy to the PD, or electronically to a dedicated email address.

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 8/11

Note - Until the reporting procedure has been technically finalized through the use of a telephone hotline or voicemail system, only the internal reporting procedure applies.*

3.3 Obligation to maintain confidentiality


- (1) The DP to resolve the report is under an obligation not to disclose the identity of the AIP or any information that would enable the AIP to be directly or indirectly identified, except with the express consent of the AIP.
- (2) By exception to the provisions of paragraph. (1), the identity of the AIP and any other information referred to in para. (1) may be disclosed only if this is an obligation imposed by law, subject to the conditions and limits laid down by law.
- (3) In the case referred to in para. (2), the AIP shall be informed in advance, in writing, of the disclosure of the identity and the reasons for disclosure of the confidential data concerned. The obligation shall not exist if the information would jeopardize investigations or legal proceedings.
- (4) Information contained in reports which constitute business secrets may not be used or disclosed for purposes other than those necessary for the resolution of the report.
- (5) The obligation of confidentiality does not exist if the AIP has intentionally disclosed its identity in the context of a disclosure.
- (6) The obligation to maintain confidentiality shall also continue to exist if the report mistakenly reaches a person within the IAR SA other than the PD. In this case, the report shall be immediately forwarded to the PD.

3.4 Internal reporting obligations

- (1) As a overriding requirement for the internal procedure, the establishment and management of the manner in which reports are received shall be done in such a way as to protect the confidentiality of the identity of the AIP and any third party named in the report and to prevent unauthorized personnel from accessing the report;
- (2) Not later than 7 calendar days after receipt of the internal report the PD shall transmit to the AIP acknowledgment of receipt of the report.
- (3) Inform the AIP of the status of the follow-on actions no later than 3 months from the date of acknowledgment of receipt or, if not acknowledged receipt of the report, from the expiration of the 7-day period, and thereafter whenever there are developments in the conduct of the follow-on actions, unless informing the AIP could jeopardize the conduct of the follow-on actions.
- (4) The PD, as well as the means of reporting shall be brought to the knowledge of each employee, by posting it on the IAR SA's website and by posting it at the head office, in a visible and accessible place. IAR SA must ensure that at least one means of reporting is accessible at all times.

3.5 Classification of internal reporting

- (1) If the internal report is submitted anonymously and does not contain sufficient information on violations of the law to allow the report to be analyzed and resolved, and the designated person has requested to complete it within 15 days, without this obligation being fulfilled, the report shall be filed.
- (2) If a person submits several reports on the same subject, they shall be linked to the AIP and shall receive a single information. If a new report with the same subject matter is received after sending it, without submitting additional information justifying a different subsequent action, it shall be closed.
- (3) The DP may decide to close the proceeding if after examination of the report it is found to be a clearly minor violation and does not require further follow-up action other than closing the proceeding. This provision is without prejudice to the obligation to maintain confidentiality, to inform the whistleblower in the public interest, and is without prejudice to any other obligations or other applicable procedures for remedying the reported violation.

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 9/11

(4) In the above situation, the decision to close the case shall be communicated to the AIP, indicating the legal basis.

3.6 Special provisions concerning the reporting of irregularities by control persons

(1) The persons in charge of control are obliged to notify the management of IAR SA or, as the case may be, the body authorized by law to establish the commission of offences, of any data from which there are indications that an unlawful operation or act has been carried out which may entail criminal liability.

(2) The persons in charge of control are obliged, in the course of carrying out the control act, to secure and preserve the traces of the offense, the corpus delicti and any evidence that may be useful to the prosecution authorities.

(3) The fulfillment in good faith of the obligations provided for in Article 3.6 (1) shall not constitute a breach of professional secrecy and shall not entail criminal, civil or disciplinary liability.

(4) The fulfillment or non-fulfillment in bad faith of the obligations provided for in art. 3.6 (1) constitute offenses and are punishable according to the laws in force.

Note* - The AIP expresses its consent to the processing/processing of personal data by the person(s) appointed to deal with the complaint.*

4. Forms


4.1 Internal reporting form on breaches of the law - code FP-04-01

4.2 Register of internal reporting of breaches of the law - code FP-04-02

5. Annexes

5.1 Internal reporting form on violations of the law - code FP-04-01


5.2. Record of internal reporting of violations of the law - code FP-04-02

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 10/11

Annex nr.1

Internal reporting form on breaches of the law - Code FP-04-01

Name*		
First name*		
Mailing address*		
Emaill*		
Telephone number		
Method of correspondence with the designated person in IAR SA		
Professional context in which the information was obtained		
Person concerned (if known)		
Description of the fact likely to constitute an infringement of the law within IAR SA		
Evidence supporting the report (if applicable)		
Date*		
Signature*		
* Information is mandatory for non-anonymous information		

IAR SA Braşov 	SYSTEM PROCEDURE	Code: PS.04-IAR
	Internal reporting and public protection public interest whistleblower	Editioa I Revision 0
		Page 11/11

Annex no. 2

Register of internal reports of breaches of the law - Code: PS.04.02

No.	Date of receipt of the report	Name and surname of the public interest whistleblower	Contact details of the public interest whistleblower	Subject of the report	How to deal with the report

6. Procedure distribution list

The original of the procedure is archived with the issuer, in accordance with the regulations on archiving documents issued by SC IAR SA.

Dissemination is done in electronic format (**Quality System on 'Iar-server01'/QUALITY SYSTEM/Internal Control Procedures**), secured, on the internal network of SC IAR SA.

All modifications to the present procedure follow the initial approval circuit.