



Whistleblower Protection Policy

Challenge Aviation Services Limited

Date: 25th April 2023

Version 1

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1 DOCUMENT DETAILS

1.1 Document Properties

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Version Management

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Table 1. Version history

Distribution List

To	Version	Date
Board of Directors	1	May 2023
Challenge Group Staff members	1	May 2023

Table 2. Distribution list

Reviewer (Assessment)

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Whistleblowing Reporting Officers	1	April 2023

Assessor (Approval)

Name	Version	Date of approval
Chief Financial Officer	1	April 2023

2 DEFINITIONS

The terms used in the Whistleblower Protection Policy (hereafter referred to as the “Policy”) have the following meaning:

Challenge Aviation Services Limited

Challenge Aviation Services Limited (hereafter referred to as the “Company”) has been incorporated in Malta on 28th March 2016, having its registered address at Level 5, Skyparks Business Centre, Malta Internal Airport, Luqa, LQA 4000.

Challenge Group

The Challenge Group is focused on aviation. The Group owns aircrafts and is made up of five (5) primary divisions, these being air carriers, handling & logistics, maintenance, asset & commercial. The group structure incorporates, as of the date of this Policy, twenty six (26) incorporated entities in various jurisdictions, including Malta, Belgium, Israel and Germany. The entities listed hereunder shall be jointly referred to as the ‘Challenge Group’:

- (i) Challenge Aviation Services Limited (Ultimate Parent Company) (referred to as ‘Challenge Malta’)
- (ii) Challenge Aviation Holding Limited
- (iii) Challenge Aviation Operational Holding Limited
- (iv) Challenge Air Cargo Limited (referred to as ‘Challenge Malta’)
- (v) Challenge Airlines (BE) S.A. (referred to as ‘Challenge Airlines Belgium’)
- (vi) Challenge Airlines (IL) Ltd (referred to as ‘Challenge Israel’)
- (vii) Ace Aviation Limited
- (viii) Ace Aviation II Limited
- (ix) Ace Aviation III Limited
- (x) Ace Aviation IV Limited
- (xi) Ace Aviation V Limited
- (xii) Ace Aviation VI Limited
- (xiii) Ace Aviation VII Limited
- (xiv) Ace Aviation VIII Limited
- (xv) Ace Aviation IX Limited
- (xvi) Ace Aviation X Limited
- (xvii) Ace Aviation XI Limited
- (xviii) Ace Aviation XII Limited
- (xix) Challenge Cargo Solutions Limited
- (xx) Challenge Handling S.A. (referred to as ‘Challenge Handling Belgium’)
- (xxi) Ace Aircraft Engines & Aviation Equipment Limited
- (xxii) Challenge Technic GMBH
- (xxiii) Challenge Technic LDA
- (xxiv) Challenge Technic ehf
- (xxv) Challenge Technic (BE) (Branch)
- (xxvi) Challenge Air Cargo Limited (Branch)

The Company, as a legal entity in the private sector, has established this Policy to receive and investigate in full confidentiality reports made by the workers of the Company and of its subsidiaries or affiliates (the ‘Challenge Group’), and also, to any extent possible, reports made by any of the Challenge Group’s agents and suppliers and by any persons who acquire information through their work-related activities with the Company and the Challenge Group.

Contract of Service

- (i) an agreement whether oral or in writing, in any form, whereby a person binds himself to render service to or to do work for an employer, in return for remuneration; and
- (ii) an agreement, even if implied, whereby a person agrees to render services for or at the request of a voluntary organisation without remuneration.

Detrimental Action

This includes:

- (a) action causing injury, loss or damage; and, or
- (b) victimisation, intimidation or harassment; and, or
- (c) occupational detriment; and, or
- (d) prosecution under article 101 of the Criminal Code relating to calumnious accusations and, or;
- (e) civil or criminal proceedings or disciplinary proceedings.

Disclose or Disclosure

The oral or written communication of information on improper practice.

Employee

For the purposes of this Policy, the following persons shall be referred to as “staff members”:

- (a) any person who has entered into or works under a contract of service with an employer and includes a contractor or subcontractor who performs work or supplies a service or undertakes to perform any work or to supply services; or
- (b) any person who has undertaken personally to execute any work or service for, and under the immediate direction and control of another person, including an outworker, but excluding work or service performed in a professional capacity to which an obligation of professional secrecy applies in terms of the Professional Secrecy Act when such work or service is not regulated by a specific contract of service and "outworker" means a person to whom articles, materials or services of any nature are given out by an employer for the performance of any type of work or service where such work or service is to be carried out either in the home of the outworker or in some other premises not being under the control and management of that other person; or
- (c) any former employee; or
- (d) any person who is or was seconded to an employer; or
- (e) any volunteer in terms of article 2(1) of the Voluntary Organisations Act even when such work or service is not regulated by a specific contract of service; or
- (f) any candidate for employment only where information concerning improper practices has been acquired during the recruitment process or other pre-contractual negotiations; or
- (g) shareholders and persons belonging to the administrative, management or supervisory body of an undertaking, the partners in the case of a partnership, non-executive members, and paid or unpaid trainees.

Employer

Any natural person, legal organisation or statutory body, whether forming part of the public administration or the private sector, who:

- (a) enters into a contract of service with an employee; or
- (b) who employs or engages or permits any other person in any manner to assist in the carrying on or conducting of his business; or
- (c) who seeks to employ other persons and shall include a voluntary organisation in relation to volunteers who render services to such voluntary organisation on a voluntary basis or otherwise.

External Disclosure

The oral or written communication of information on improper practice made externally to the relevant authorities, in the format as prescribed by the Act.

Feedback

The provision to the whistleblower of information on the action envisaged or taken as follow-up and on the grounds for such follow-up.

Follow Up

Any action taken by the recipient of a disclosure or any competent authority, to assess the accuracy of the allegations made in the report and, where relevant, to address the improper practice reported, including through actions such as an internal enquiry, an investigation, prosecution, an action for recovery of funds, or the closure of the procedure.

Improper Practice

An action or a series of actions whereby:

- (a) a person has failed, is failing or is likely to fail to comply with any legal obligation to which he is subject; or
- (b) the health or safety of any individual has been, is being or is likely to be endangered; or
- (c) the environment has been, is being or is likely to be damaged; or
- (d) a corrupt practice has occurred or is likely to occur or to have occurred; or
- (e) a criminal offence has been committed, is being committed or is likely to be committed; or
- (f) a miscarriage of justice has occurred, is occurring or is likely to occur; or
- (g) bribery has occurred or is likely to occur or to have occurred; or
- (h) a person has failed, is failing or is likely to fail to comply with any legal obligation on public procurement to which he is subject; or
- (i) a person has failed, is failing or is likely to fail to comply with laws on financial services, products and markets, and prevention of money laundering and terrorist financing; or
- (j) a person has failed, is failing or is likely to fail to comply with product safety and compliance law; or
- (k) a person has failed, is failing or is likely to fail in ensuring transport safety; or
- (l) a person has failed, is failing or is likely to fail in ensuring radiation protection and nuclear safety; or
- (m) a person has failed, is failing or likely to fail in ensuring a food and feed safety, animal health and welfare; or
- (n) a person has failed, is failing or is likely to fail to comply with any legal obligation on consumer protection to which he is subject; or
- (o) a person has failed, is failing or is likely to fail to comply with any legal obligation on protection of privacy and personal data, and security of network and information systems to which he is subject; or
- (p) a breach affecting the financial interests of the European Union as referred to in Article 325 of the Treaty on the Functioning of the European Union (TFEU) and further specified in relevant European Union measures has occurred or is likely to occur or to have occurred; or
- (q) a breach relating to the internal market, as referred to in Article 26(2) of the Treaty on the Functioning of the European Union (TFEU), including breaches of European Union competition and State aid rules, as well as breaches relating to the internal market in relation to acts which breach the rules of corporate tax or to

arrangements the purpose of which is to obtain a tax advantage that defeats the object or purpose of the applicable corporate tax law has occurred or is likely to occur or to have occurred; or

- (r) information tending to show any matter falling within any one (1) of the preceding paragraphs has been, is being or is likely to be deliberately concealed:

Provided that, in the interpretation of this definition due account shall be given to the de minimis rule so that very minor or trivial matters shall not fall under the provisions of this Act.

Information on Improper Practices

Information, including reasonable suspicions, about actual or potential improper practices, which occurred or are very likely to occur in the organisation in which the reporting person works or has worked or in another organisation with which the reporting person is or was in contact through his work, and about attempts to conceal such breaches.

Internal Disclosure

The oral or written communication of information on improper practice made internally to the Whistleblower Reporting Officer or in the latter's absence, to the Deputy Officer.

Occupational Detriment

Any direct or indirect act or omission which occurs in a work related context, which is prompted by internal or external disclosures or by public disclosure, and which causes or may cause unjustified detriment to the whistleblower and may include:

- (a) suspension, lay-off, dismissal or equivalent measures;
- (b) demotion or withholding of promotion;
- (c) transfer of duties, change of location of place of work, reduction in wages, change in working hours;
- (d) withholding of training;
- (e) a negative performance assessment or employment reference;
- (f) imposition or administering of any disciplinary measure, reprimand or other penalty, including a financial penalty;
- (g) coercion, intimidation, harassment or ostracism;
- (h) discrimination, disadvantageous or unfair treatment;
- (i) failure to convert a temporary employment contract into a permanent one, where the worker had legitimate expectations that he would be offered permanent employment;
- (j) failure to renew, or early termination of, a temporary employment contract;
- (k) harm, including to the person's reputation, particularly on social media, or financial loss, including loss of business and loss of income;
- (l) blacklisting on the basis of a sector or industry-wide informal or formal agreement, which may entail that this person will not, in the future, find employment in the sector or industry;
- (m) early termination or cancellation of a contract for goods or services;
- (n) cancellation of a licence or permit;
- (o) psychiatric or medical referrals;
- (p) being subjected to any disciplinary action including for breach of ethics or confidentiality;
- (q) being subjected to a term or condition of employment or retirement which is altered or kept altered to his disadvantage:

Provided that, this shall not apply where the action is taken where the direct or indirect act or omission is administratively or commercially justifiable for organizational reasons.

Persons Concerned

A natural or legal person who is referred to in the report or disclosure as a person to whom the improper practice is attributed or with whom that person is associated.

Protected Disclosure

An internal disclosure or an external disclosure of information, made in writing or in any format as prescribed by the Policy or by virtue of the Act.

Relevant authority

The competent authority that shall be informed during external reporting, depending on the jurisdiction where the disclosure is made.

Relevant jurisdiction

The jurisdiction where a disclosure is made.

Subject Persons

For the purposes of this Policy, the term “subject person” shall mean an “employer” that is an organization within the private sector with fifty (50) or more workers or where following an appropriate risk assessment taking into account the nature of the activities of the organization and the ensuing level of risk for, in particular the environment and public health may require an organization in the private sector with fewer than fifty (50) workers to establish an internal disclosure channel and procedure in accordance with Section 2 of Part III of the Act.

As of October 2022, Challenge Group employed eight hundred and eighty six (886) individuals. Reference is to be made to the definition of ‘employee’ as established in the Act and reflected within this Policy. The Act therefore applies to the Company, as a subject person, and its staff members.

Whistleblower

Any staff member who makes a disclosure to a whistleblowing reporting officer or a whistleblowing reports unit, as the case may be, whether it qualifies as a protected disclosure or not under the Act. Also referred to as the “reporting person”.

Whistleblower Reporting Officer

An appointed officer within an employer charged with carrying out the functions designated by article 12 of the Act.

External Whistleblowing Reports Unit

An officer, office or section within an authority to carry out the functions designated by article 17 of the Act.

Work-Related Context

Current or past work activities in the public or private sector through which, irrespective of the nature of those activities, persons acquire information on improper practices and within which those persons may suffer retaliation if they reported such information.

3 INTRODUCTION

This Policy is intended to enable the Company's staff members to report improper practices confidentially and safely in good faith, without having to fear that their disclosure may have detrimental consequences to their profession.

The Whistleblower Protection Policy of the Company is a key element for safeguarding the Challenge Group's integrity. It is aimed at enhancing the Company's transparency and underpinning its system for combating practices that might damage its activities and reputation. The Policy has been drafted in compliance with the provisions of the [EU Directive 2019/1937](#) on the protection of persons who report breaches of Union law and the "Protection of the Whistleblower Act", Chapter 527 of the Laws of Malta (hereafter referred to as the "Act") which has sufficiently transposed the requirements emanating from said Directive. It is to be noted that this Policy does not purport to provide legal advice or guidance and is not a substitute for familiarity with the Act. The Act can be reviewed by accessing this [link](#).

Protecting the integrity and reputation of the Challenge Group requires the active support of all staff members. By creating an environment of trust and affording maximum protection for its staff members. The Company aims to encourage staff members to cooperate on internal disclosures. It is putting in place arrangements that will facilitate and enable the process of disclosures concerning internal breaches in good faith; ensuring these are afforded the utmost confidentiality and greatest degree of protection possible, against any retaliation or reprisals, whether actual or threatened, as a result of their whistleblowing.

3.1 General Principles

The basic principles of this Policy are as follows:

- The whistleblower should be able to seek recourse through a number of channels for whistleblowing, allowing for disclosures to be made either orally or in writing; and in certain circumstances, the whistleblower must be able to bypass the main channels for whistleblowing if these prove inappropriate;
- Staff members must not under any circumstances be subject to reprisals for whistleblowing;
- Staff members who report incidents in good faith must be protected and their identity must, insofar as possible, remain confidential;
- The reported incidents shall be verified in a timely and appropriate manner and, if they are substantiated, the Company shall take all necessary steps to identify sufficient remedies; and
- The basic rights of any person concerned by the reported incidents must be respected, whilst ensuring that the procedures provided for are effective.

3.2 Scope

The Policy applies to the workers of the Company and of its subsidiaries or affiliates (the 'Challenge Group'), and also, to any extent possible, reports made by any of the Challenge Group's agents and suppliers and by any persons who acquire information through their work-related activities with the Company and the Challenge Group, and any other persons providing the Company with services, including service providers under contract. In accordance with the Act, this Policy shall also apply to the partners, shareholders and persons belonging to the administrative, management or supervisory body of the Company, including non-executive members. Paid or unpaid trainees and candidates for employment shall also be afforded the protections laid down in the Act and mirrored in this Policy, in the latter case, where information concerning improper practices is acquired during the recruitment process (the 'staff Members').

4 REPORTING OBLIGATIONS

4.1 Improper Practices

Staff Members are required to report improper practices when such instances are identified. Improper Practices are defined under Section 1 of this Policy in accordance with the Act.

4.2 Internal Reporting Procedures

Internal disclosures can be made by staff members under this Policy by way of providing a report in the prescribed format to the Whistleblower Reporting Officer. Alternatively, reports may be made to the Whistleblower Reporting Officer's Deputy Officer in instances where the Whistleblower Reporting Officer is unavailable for a period of time. The Deputy Officer shall acknowledge receipt of the disclosure made, where such is not made in an anonymous manner. The disclosure shall be referred to the Whistleblower Reporting Officer upon the latter's return. Please refer to Annex A Internal Disclosure Report Form.

In the course of reporting internal disclosures to the Whistleblower Reporting Officer, the whistleblower shall have access to:

- (a) comprehensive and independent information and advice as made available in this Policy, particularly on the procedures and remedies available internally and externally, on protection against retaliation, and on the rights of the person concerned;
- (b) effective assistance from competent authorities before any relevant authority involved in their protection against retaliation, including, where provided for under national law, certification of the fact that they qualify for protection under the Act; and
- (c) legal aid in criminal and in cross-border civil proceedings in accordance with Directive (EU) 2016/1919 of the European Parliament and of the Council of 26 October 2016 on legal aid for suspects and accused persons in criminal proceedings and for requested persons in European arrest warrant proceedings and Directive 2008/52/EC of the European Parliament and of the Council of 21 May 2008 on certain aspects of mediation in civil and commercial matters and, in accordance with national law, legal aid in further proceedings and legal counselling or other legal assistance.

The whistleblower should be aware that full immunity shall not be afforded to any person making a disclosure about an improper practice from any disciplinary or civil proceedings or liability arising from his own conduct.

The whistleblower may opt to submit a report to the head of organisation of the Company in the following circumstances:

- where the staff member believes on reasonable grounds that the Whistleblowing Reporting Officer(s), or the Deputy Officer is/are, or may be, involved in the alleged improper practice; or
- the staff member believes, on reasonable grounds, that the Whistleblowing Reporting Officer(s), or the Deputy Officer is/are by reason of any relationship or association with a person concerned who is, or may be, involved in the improper practice alleged in the disclosure, not a person to whom it is appropriate to make the disclosure.

The Whistleblowing Reporting Officer and/or the Deputy Officer to whom an internal disclosure is made or referred is legally prohibited from disclosing information that identifies, or may lead to the identification of, the whistleblower unless the whistleblower expressly consents in writing to the disclosure of that information.

The contact details of the Group's Whistleblower Reporting Officers are indicated in Annex B, "Reporting Officer".

4.3 External Whistleblowing Reporting Unit

An external disclosure shall only be protected if an internal disclosure in accordance with this Policy has already been made or attempted to be made.

An external disclosure may be made to the External Whistleblowing Reporting Unit of the relevant authority in instances where the whistleblower believes, on reasonable grounds, that:

- the head of the organisation is or may be involved in the improper practice alleged in the disclosure; or
 - no action has been taken on an internal Suspicious Transaction Report (STR) and/or employees have been encouraged not to disclose such suspicions; or
 - a person has failed, is failing, or is likely to fail to comply with any Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) obligation arising from the local legislation, the FIAU ‘Implementing Procedures’, and any other binding procedures issued by the FIAU; or
 - an employee becomes aware of an activity and/or transactions which are tantamount to a money laundering or funding of terrorism offence, whether this has been committed, is being committed, or is likely to be committed; or
 - immediate reference to the relevant authority is justified by the urgency of the matter to which the disclosure relates, or some other exceptional circumstances; or
 - at the time he/she makes the external disclosure, that he/she will be subjected to an occupational detriment by his/her employer if he/she makes an internal disclosure; or
 - it is likely that evidence relating to the improper practice will be concealed or destroyed if he/she makes an internal disclosure; or
 - although an internal disclosure has previously been made, the whistleblower has not been informed on the status of the matter disclosed or it is reasonably evident to the whistleblower that there has been no action or recommended action on the matter to which the disclosure relates within a reasonable time from the making of the disclosure.
- Where a Challenge Group employee and/or entity established in a jurisdiction outside of Malta is involved in the disclosure, the relevant authorities of that jurisdiction shall be referred to for the purposes of seeking guidance and/or external disclosure.

The External Whistleblowing Reporting Unit is legally prohibited from communicating the contents of the disclosure to other departments within the authority of which it forms part until it has duly investigated the disclosure and has established that it is necessary or appropriate in the public interest for further investigation to be carried out by such other departments or with the police in relation to an improper practice which constitutes a crime or contravention under any law. However, the authority reported to shall not be restricted in sharing information with the External Whistleblowing Reporting Unit about its investigations from for the External Whistleblowing Reporting Unit to determine whether it has any relevant information concerning the investigation.

A full list of the Maltese authorities can be found under Annex C of this Policy. Authorities located outside Malta may be referred to as needed, on a case-by-case basis, particularly when a Challenge Group employee and/or entity established outside of Malta is involved in the disclosure.

4.4 Challenge Group Reporting Channels

The Company, as an employer falling within the definition of a “Subject Person” has implemented sound internal reporting procedures for the receipt and handling of internal disclosures concerning improper practice committed within the Challenge Group. These comprise the following:

- channels for receiving reports in writing, orally or both;
- secure and confidential channels deploying access rights and identity protection measures;
- designation of a Whistleblowing Reporting Officer/s competent for following up on reports;
- diligent follow up by the abovementioned designated Officer;

- a clear and easily accessible Policy on the existence of the internal procedures and external reporting.

4.4.1 Channels for receiving Reports in Writing and Orally

The Company has established channels internally for receiving reports in writing and orally.

Oral reporting may be made possible, upon request of the whistleblower, by means of holding a private physical meeting within one (1) week from receipt of request by the Whistleblower Reporting Officer. Records of such meetings shall be retained in the format as prescribed by Section 7 of this Policy. The Whistleblower Reporting Officer shall recommend that an Internal Disclosure Report is also filed by the whistleblower following the oral disclosure.

Written reports may be transmitted via the secure email address as outlined in Appendix B set up specifically for such purposes. This is a secure email address to which access is only made available to the Whistleblower Reporting Officer and Deputy Officer.

It is pertinent to note that for a complete and thorough follow up by the Whistleblower Reporting Officer, any submitted reports should be signed by the whistleblower. This will enable the Whistleblower Reporting Officer to further investigate and communicate with the reporting person.

All supporting evidence is to be included together with any report made to the Whistleblower Reporting Officer.

4.4.2 Secure and Confidential Channels

Such channels have been designed to operate in a secure manner, ensuring that the confidentiality of the identity of the whistleblower and that of any third party or person concerned mentioned in the disclosure is protected, further preventing access thereto by non-authorised staff members.

4.4.3 Designated Persons

The Company has designated the HR Managers of Challenge Malta, Challenge Israel, Challenge Airlines Belgium and Challenge Handling Belgium and the safety manager of Challenge Technic to act as the joint Whistleblowing Reporting Officers competent for the evaluation and follow up on the reports following the receipt of an internal disclosure, and to maintain communication with, and provide feedback to, the whistleblower, to properly communicate the action being undertaken in respect of the internal disclosure reported to him. The Whistleblower Reporting Officer may request clarification and/or further information, where this is necessary, for the complete understanding, evaluation and follow up on the report.

The Managers of Challenge Malta, Challenge Israel, Challenge Airlines Belgium, Challenge Handling Belgium and Challenge Technic have been appointed by the Group Chief Financial Officer ('CFO') to occupy the joint role of the Whistleblower Reporting Officer. To this effect, the individuals chosen to occupy the joint role of the Whistleblowing Reporting Officer are knowledgeable in various aspects of compliance and regulatory affairs and hold adequate experience as well as seniority and sufficient independence to be able to determine whether any reported matters merit further investigation.

The Company has designated Ms. Sharon Levy to act as Deputy Officer, to receive, evaluate and follow up on reports following receipt of an internal disclosure in the absence of a Whistleblower Reporting Officer. Communication shall be maintained with the whistleblower by the Deputy Officer until the Whistleblower Reporting Officer resumes duties. A handover shall be provided to the relevant Whistleblower Reporting Officer by the Deputy Officer upon return.

4.4.4 Diligent Follow Up

In accordance with the Act, the Whistleblower Reporting Officer is expected to provide diligent follow up to the whistleblower in respect of a protected disclosure reported to him. In this respect, to ensure that feedback is provided to the whistleblower in a timely manner, the Whistleblower Reporting Officer is to:

- acknowledge receipt of an internal disclosure within seven (7) days of receipt; and

- (ii) provide feedback on how the reported breach was addressed internally, including decision and action taken (if such is required) within a reasonable time not exceeding three (3) months from the acknowledgment of receipt or, if no acknowledgment was sent to the whistleblower, three (3) months from the expiry of the seven (7) day period after the report was made.

In the absence of a Whistleblower Reporting Officer, the Deputy Officer will acknowledge receipt of an internal disclosure within seven (7) days of receipt. The internal disclosure will then be forwarded to the Whistleblower Reporting Officer upon return.

Furthermore, upon a request for feedback made by a whistleblower concerning his disclosure (for example, during the course of internal investigation), the Whistleblower Reporting Officer, is to provide feedback on the status of the investigation within seven (7) days from the date of receipt of the request for feedback.

In the event that an internal disclosure leads to the detection of an improper practice which constitutes a crime or contravention under any applicable law, the Whistleblowing Reporting Officer may refer the report received to the police for investigation.

4.4.5 Whistleblower Protection Policy and Training

The Company has established this Policy to provide its staff members with clear and accessible information on its internal procedures and reporting channels on whistleblowing. This Policy is made available to all staff members on the Challenge Group website.

Training on whistleblower protection shall be delivered to all staff members on an ongoing basis. Training shall include a walkthrough of the Policy and its requirements, revisions made to the Policy if applicable, and/or pertinent legislative amendments made to the Act.

4.5 False Disclosure

The Company values transparency and integrity and requires staff members to make disclosures in line with this Policy. Staff members are, however, reminded that the ability to make disclosures under cover of this Policy should not be abused. Knowingly making false disclosures is not acceptable and staff members knowingly making false disclosures may be subject to legal and/or disciplinary action, potentially leading to the dismissal of the staff member(s).

4.6 Anonymous Disclosures

In accordance with the Act, anonymous disclosures do not benefit from protections afforded by law, nor the level of protection indicated in this Policy. However, where an anonymous disclosure is received by the Whistleblowing Reporting Officer, such disclosure may be taken into account when determining whether an improper practice has occurred. The Whistleblowing Reporting Officer may, however, discard any information received if he deems it likely to be defamatory or libellous. Furthermore, and in accordance with the Act, should a whistleblower be identified following an anonymous disclosure, and consequently suffers retaliation, that disclosure would still be a protected disclosure and therefore afforded protection; provided the disclosure is made in good faith, not for personal gain and based on reasonable grounds.

4.7 Public Disclosures

By virtue of the Act, a public disclosure will only be protected if an internal disclosure and an external disclosure have been made beforehand, but no appropriate action was taken. Nevertheless, a public disclosure shall be protected upon reasonable or justifiable grounds to bypass the internal and/or external reporting channels specified in this Policy, particularly in cases where the whistleblower has reasonable grounds to believe that:

- (a) the breach may constitute an imminent or manifest danger to the public interest, such as when there is an emergency situation or a risk of irreversible damage; or
- (b) in the case of external reporting, there is a risk of retaliation or there is a low prospect of the breach being effectively addressed, due to the particular circumstances of the case, such as those where evidence may be concealed or destroyed or where an authority may be in collusion with the perpetrator of the breach or involved in the breach.

5 WHISTLEBLOWER PROTECTION

5.1 Prohibition of Detrimental Actions

A staff member making an internal disclosure in accordance with this Policy shall not be subject to any detrimental action (“detrimental action”) as defined under Section 1 of the Policy, in accordance with the Act.

Should a staff member believe that detrimental action has been taken or is to be taken against him in reprisal for a protected disclosure, he may seek recourse to the Civil Courts of Malta, or to any other competent court outside of Malta, as the case may be. Any staff member who may have suffered detrimental action as a result of making a protected disclosure shall, without prejudice to any other right under any other law, have a right to compensation for any damage caused.

5.1.1 Protection afforded to the Relevant Parties

The protection afforded to a whistleblower shall, where relevant, be extended to:

- 1) facilitators;
- 2) third persons who are connected with the reporting persons and who could suffer retaliation in a work-related context, such as colleagues or relatives of the reporting persons;
- 3) legal entities that the reporting persons own, work for or are otherwise connected with in a work-related context (i.e. the Challenge Group); and
- 4) legal aid in criminal and in cross-border civil proceedings in accordance with the relevant provisions of the Criminal Code and Directive 2008/52/EC of the European Parliament and of the Council of 21 May 2008 on certain aspects of mediation in civil and commercial matters and in accordance with national law, legal aid in further proceedings and legal counselling or other legal counselling.

5.2 Limitations of Protection

Disclosures are only protected where they are made in good faith, where the staff member reasonably believes the information to be substantially true and related to an improper practice; and where the disclosure is not made for the personal gain of the staff member. Furthermore, an internal disclosure is a protected disclosure if it is made in accordance with the Act and if it is made by a staff member in the manner established by this Policy for receiving or dealing with such disclosures. As aforementioned, anonymous disclosures are not considered to be protected disclosures.

6 PROCESSING OF PERSONAL DATA

Any processing of personal data carried out pursuant to this Policy, including the exchange or transmission of personal data by the Whistleblowing Reporting Officer, shall be carried out in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) or any other applicable Data Protections laws in the relevant jurisdiction. Provided that personal data which is manifestly not relevant for the handling of a specific report shall not be collected or, if accidentally collected, shall be deleted without undue delay.

7 RECORD-KEEPING OBLIGATIONS

The Whistleblowing Reporting Officer shall keep records of every report received, in compliance with the confidentiality requirements provided for in this Policy. Provided that, reports shall be stored for no longer than it is necessary and proportionate in order to comply with the requirements imposed by this Policy, or other requirements imposed by law.

Where an unrecorded telephone line is used for disclosing, the Whistleblower Reporting Officer shall have the right to request a follow up meeting with the whistleblower. The Whistleblower Reporting Officer shall offer the whistleblower the opportunity to check, rectify and agree to the minutes of the conversation by signing them.

Where a person requests a meeting with the Whistleblower Reporting Officer for disclosing purposes, the Whistleblower Reporting Officer shall ensure, subject to the consent of the whistleblower, that complete and accurate records of the meeting are kept in a durable and retrievable form. The Whistleblower Reporting Officer shall have the right to document the meeting in one of the following ways:

- (a) by making a recording of the conversation in a durable and retrievable form; or
- (b) through accurate minutes of the meeting prepared by the staff members responsible for handling the report.

Provided that the Whistleblower Reporting Officer shall offer the whistleblower the opportunity to check, rectify and approve the minutes of the meeting by signing them.

APPENDIX A - INTERNAL DISCLOSURE REPORT FORM

(TO BE USED IN THE CASE OF WRITTEN DISCLOSURES)

<p>Date of Internal Disclosure Report: Click or tap to enter a date.</p>
<p>Prepared by: <i>Insert Name and Position</i></p>
<p>Name of the subject(s) and/or improper practice(s) identified: <i>Insert names of all individuals and/or companies suspected</i></p>
<p>Details of subject(s) and/or improper practice(s) identified:</p> <ul style="list-style-type: none"> - <i>In case of individuals insert identification details at your disposal.</i> - <i>In case of companies insert: Date of incorporation; country of incorporation; registration number; registered address; nature of business; full names of shareholders and ultimate beneficial owners.</i> <p>Click or tap here to enter text.</p>
<p>Details of supporting evidence attached to this report (if applicable): <i>Please ensure to clearly specify and explain the supporting evidence being attached to this report. Supporting evidence may include correspondence, recordings, screenshots and any other forms of evidence substantiating your internal disclosure, involvement of the subject and improper practice (as applicable):</i></p> <p>Click or tap here to enter text.</p>

Are any subjects being reported part of the senior management of Challenge Group?

Yes No

If 'Yes', kindly give more details:

Click or tap here to enter text.

Are the subjects being reported currently employed by Challenge Group?

Yes No

If 'Yes', kindly give more details:

Click or tap here to enter text.

Is the improper practice identified, and being disclosed in this report, of a criminal nature, and therefore, subject to criminal investigation?

Yes No

If 'Yes', kindly give more details:

Click or tap here to enter text.

Date or date range of improper practice(s) (if already occurred or currently occurring within Challenge Group):

From: Click or tap to enter a date. To: Click or tap to enter a date.

Please tick any of the following that concern the improper practice(s) outlined in this Internal Disclosure Report (if none are applicable, include detail under 'Other'):

<input type="checkbox"/> Corruption and Bribery	<input type="checkbox"/> Information security	<input type="checkbox"/> Breach of internal policies/procedures
<input type="checkbox"/> Concerning privacy and personal data	<input type="checkbox"/> Health and safety	<input type="checkbox"/> Robbery and theft
<input type="checkbox"/> Customer protection	<input type="checkbox"/> Breach of law	<input type="checkbox"/> Financial services
<input type="checkbox"/> Environmental Crime	<input type="checkbox"/> Insider trading and market manipulation	<input type="checkbox"/> Tax crimes (related to direct taxes and indirect taxes)
<input type="checkbox"/> Forgery	<input type="checkbox"/> Concerning the prevention of money laundering and terrorist financing	<input type="checkbox"/> Fraudulent activity
<input type="checkbox"/> Products/Services provided by Challenge Group	<input type="checkbox"/> Misconduct (unjust or unethical behaviour in the workplace)	<input type="checkbox"/> Unfair treatment and/or abuse at the workplace
<input type="checkbox"/> Misappropriation of funds		

Names of all other staff members (partners, shareholders, directors, senior management and staff) who have been involved in, benefitted from, or are aware of, this improper practice(s) (please list):

Insert names of all individuals

Click or tap here to enter text.

Additional comments (if any):

Click or tap here to enter text.

Declaration

I declare that the information provided in this “Internal Disclosure Report Form” has been submitted to the Whistleblower Reporting Officer in good faith, contents of which I believe to be true and correct to the extent possible. Upon request, I shall assist the Whistleblower Reporting Officer during the course of the investigation that ensues from the submission of this report.

Name	Signed	Dated

To be completed by the Whistleblower Reporting Officer

Internal Disclosure Report reference number		
Report requires escalation to external authorities	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Report requires escalation to police for criminal investigation	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Date when Report was submitted to the external authorities and/or police (if applicable)		
Reasons for non-submission to abovementioned external parties (if applicable)		
Any further comments		

Whistleblower Reporting Officer’s Signature: _____

Date of Signature: _____

APPENDIX B - REPORTING OFFICER

Designation	Name	Email address	Internal Role
Whistleblower Reporting Officer	Alexia Farrugia	wb.challengemalta@challenge-group.com	HR Manager - Challenge Malta
Whistleblower Reporting Officer	Christelle Berquand	wb.challengeairlines@challenge-group.com	HR Manager - Challenge Airlines Belgium
Whistleblower Reporting Officer	Lidor Markevich	wb.challengeisrael@challenge-group.com	HR Manager - Challenge Israel
Whistleblower Reporting Officer	Fabrizio Giancola	wb.challengehandling@challenge-group.com	HR Manager - Challenge Handling Belgium
Whistleblowing Reporting Officer	Baldvin Arnason	wb.challengetechnic@challenge-group.com	Safety Manager Challenge Technic, Iceland (occupying the role for all Challenge Technic entities)
Deputy Officer	Sharon Levy	Access to all email addresses specified above.	Global HR and O&M Manager.

APPENDIX C - AUTHORITIES PRESCRIBED TO RECEIVE EXTERNAL DISCLOSURES

Authority	Description of Matters
Auditor General	Failure to observe laws, rules and regulations relating to public finance and misuse of public resources.
Commissioner of Inland Revenue	Income tax, corporation tax, capital gains tax, stamp duties, national insurance contributions.
Commissioner for Voluntary Organizations	Activities of a voluntary organization.
Financial Intelligence Analysis Unit	Money laundering in terms of the Prevention of Money Laundering Act.
Malta Financial Services Authority	The business of credit and financial institutions, the business of insurance and the activities of insurance intermediaries, the provision of investment services and collective investment schemes, pensions, and retirement funds, regulated markets, central securities depositories, the carrying out of trustee business either in a professional or a personal capacity and such other areas of activity or services as may be placed from time to time under the supervisory and regulatory competence of the Malta Financial Services Authority.
Ombudsman	(i) Conduct involving substantial risk to public health or safety or the environment that would, if proved, constitute a criminal offence; and (ii) All matters which constitute improper practices, and which are not designated to be reported to any other authority.
Permanent Commission Against Corruption	Corrupt practices

Where a Challenge Group employee and/or entity established in a jurisdiction outside of Malta is involved in the disclosure, the relevant authorities of that jurisdiction shall be referred to for the purposes of making an external disclosure. In this respect, guidance is to be sought from the Whistleblower Reporting Officer.