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## **About EthicsPoint**

### **What is EthicsPoint?**

EthicsPoint is a comprehensive and confidential reporting tool created by NAVEX Global to assist management and employees work together in addressing fraud, abuse, and other misconduct in the workplace, all while cultivating a positive work environment.

### **Why do we need a system like EthicsPoint?**

- We believe that our employees are our most important asset. By creating open channels of communication, we can promote a positive work environment and maximize productivity.
- Best in Class companies maintain a reporting vehicle to address accounting, auditing fraud and misconduct directly to the audit committee.
- An effective reporting system will augment our other efforts to foster a culture of integrity and ethical decision-making. We believe this is consistent with the SACHEM Way.

## **Reporting - General**

### **May I report using either the Internet or the telephone?**

Yes. With EthicsPoint, you have the ability to file a confidential report by telephone or the Internet.

### **What type of situations should I report?**

The EthicsPoint system is designed for employees to report any violation of our stated Code of Conduct, or other concern you may have.

## **If I see a violation, shouldn't I just report it to my manager, security, or human resources and let them deal with it?**

When you observe some behavior that you believe violates our code of conduct, we expect you to report it. Ideally, you should bring any concerns forward to your direct manager, or other member of our management team. We recognize, however, that there may be circumstances when you are not comfortable reporting the issue in this manner. It is for such circumstances that we have partnered with EthicsPoint.

We want you to report first and foremost. If you feel most comfortable using the confidential hotline then please use it as outlined, rather than keep the information to yourself.

## **Why should I report what I know? What's in it for me?**

We all have the right to work in a positive environment and with that right comes the responsibility of acting in an ethical manner and letting the appropriate people know if someone is not acting appropriately. By working together, we can maintain a healthy and productive environment. We believe corporate misconduct can threaten the livelihood of an entire company.

## **Does management really want me to report?**

We certainly do. In fact, we need you to report. You know what is going on in our company - both good and bad. You may have initial knowledge of an activity that may be cause for concern. Your reporting can minimize the potential negative impact on the company and our people. Also, offering positive input may help identify issues that can improve corporate culture and performance.

## **Where do these reports go? Who can access them?**

Reports are entered directly on the EthicsPoint secure server to prevent any possible breach in security. EthicsPoint makes these reports available only to specific individuals within the company who are charged with evaluating the report, based on the type of violation and location of the incident. Each of these report recipients understands the importance of keeping these reports in the utmost confidence.

## **Isn't this system just an example of someone watching over me?**

Effective unfiltered communication is fundamental to business success. This system is a tool to look out for the interests of all SACHEM stakeholders. As associates we share this responsibility equally.

## **Reporting Security & Confidentiality**

**It is my understanding that any report I send from a company computer generates a server log that shows every website that my PC connects with, and won't this log identify me as a report originator?**

EthicsPoint does not generate or maintain any internal connection logs with IP addresses, so no information linking your PC to EthicsPoint is available.

However, you will be asked to identify yourself in confidence on the website and an investigator may need to speak with you regarding your details of the case you are reporting.

If you feel uncomfortable making a report on your work PC, you have the option of using a PC outside our work environment (such as one located at an Internet café, at a friend's house, etc.) through the EthicsPoint secure website. Many people choose this option, as EthicsPoint's data shows that fewer than 12% of reports are generated during business hours.

**I am concerned that the information I provide EthicsPoint will ultimately reveal my identity. How can you assure me that will not happen?**

SACHEM is committed to following the laws of all the countries which we conduct business. Associates who report ethics violation are protected by Whistle Blower and anti-retaliation laws.

**Does the telephone toll-free hot line work the same way as PC reporting?**

Yes. You will be asked to provide the same information that you would provide in an Internet-based report and an interviewer will type your responses into the EthicsPoint Web site. These reports have the same security and confidentiality measures applied to them during delivery.

## **Tips & Best Practices**

**I am aware of some individuals involved with unethical conduct, but it doesn't affect me. Why should I bother reporting it?**

Our company chooses to promote ethical behavior. All unethical conduct, at any level, ultimately hurts the company and all employees, including you. You only have to consider what happened in recent corporate scandals to see the disastrous effects that a seemingly harmless lapse in ethics can have on an otherwise healthy company. So if you know of any incidents of misconduct or ethical violations, consider it your duty to yourself and your coworkers to report it.

**I am not sure if what I have observed or heard is a violation of company policy, or involves unethical conduct, but it just does not look right to me. What should I do?**

Escalate to your manager or file a report. EthicsPoint can help you prepare and file your report so it can be properly understood. We'd rather you report a situation that turns out to be

harmless than let possible unethical behavior go unchecked because you weren't sure.

**What if my boss or other managers are involved in a violation? Won't they get the report and start a cover-up?**

The EthicsPoint system and report distribution are designed so that implicated parties are not notified or granted access to reports in which they have been named.

**What if I remember something important about the incident after I file the report? Or what if the company has further questions for me concerning my report?**

When you file a report at the EthicsPoint Web site or through the EthicsPoint Call Center, you receive a unique report key and are asked to choose a password. You can return to the EthicsPoint system again either by Internet or telephone and access the original report to add more detail or answer questions posed by a company representative and add further information that will help resolve open issues. We strongly suggest that you return to the site in the time specified to answer company questions. You and the company now have entered into a confidential dialogue where situations are not only identified, but can also be resolved, no matter how complex.

**Are these follow-ups on reports as secure as the first one?**

All EthicsPoint correspondences are held in the same strict confidence as the initial report.

**Can I still file a report if I don't have access to the Internet?**

You can file an EthicsPoint report from any computer that can access the Internet. You can file from home. Many public locations, including the public library, have Internet computers. If you don't have access to or are uncomfortable using a computer, you can call the EthicsPoint toll-free hotline, which is available 24 hours a day, 365 days a year.