

Compliance BEI LEONHARD WEISS



Code of procedure according to § 8 supply chain law

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Remark: In order to improve the readability of this manual we refrain from the simultaneous use of the terms "male, female and various (m/w/v)". All references to persons apply to all genders

1. What's the LEONHARD WEISS reporting tool?

LEONHARD WEISS GmbH & Co. KG (in the following document referred to as LEONHARD WEISS) has implemented this possibility of submitting reports concerning certain risks and breaches of duty. This system is an IT-based whistleblower system. It enables whistleblowers to use a protected communication channel making it possible to hand in reports safely and confidentially. Our LEONHARD WEISS reporting tool can be especially useful, if the potential or actual malpractice concerns sensitive areas and/or the whistleblower wants to protect his identity to an especially high degree.

2. Who can file a report?

Every person or organisation (for ex. customers, suppliers, as well as employees, business partners of suppliers of LEONHARD WEISS) is entitled, according to this code of procedure, to submit reports ("whistleblower"). Employees of LEONHARD WEISS GmbH & Co. KG – this particularly includes former employees, trainees, interns, students, and leased employees – use the intern LEONHARD WEISS whistleblower tool to submit reports.

3. What should be reported?

The following breaches and risks (in the following document referred to as "**relevant malpractice**") can be reported:

Risks in the field of human rights or environmental risks which are attributable to LEONHARD WEISS GmbH & Co. KG or their immediate or indirect suppliers (see § 2 par. 2 and par. 3 of the supply chain law), as well as breaches of duties in the field of human rights or environmental protection (see § 2 par. 4 of the supply chain law) according to the supply chain law (for individual terms please refer to the attachment of this code of procedure).

Relevant malpractice which has already occurred or possibly will occur in the future, as well as the attempt of concealing this kind of malpractice, can be reported.

4. When is a whistleblower acting in good faith?

Whistleblowers act "**in good faith**" if they have at least well-founded suspicions that the facts described are really true, at the moment of filing their report about a relevant malpractice.

A whistleblower is not acting in good faith, if he

- intentionally or with gross negligence reports incorrect information about breaches, that means he acts improperly or maliciously or
- reports about malpractice, although he has not enough reason for his suspicion, that the information reported is true (for ex. rumours, unfounded speculations).

If a whistleblower has doubts as to the foundation of his suspicion, he should mark his descriptions as supposition, evaluation, or statement of another person.

5. Does a whistleblower need to fear disadvantages due to his report?

Whistleblowers who report potential or actual malpractice in good faith, shall be sure that they need not fear any disadvantages due to a report they file. This is applicable for reports addressed to internal as well as external organs by means of the reporting tool.

Persons who act not in good faith in filing their report will not benefit from the protection of the whistleblower. According to national law, persons may render themselves liable to prosecution, if they knowingly report untrue facts about other persons. They may also be required to repair the damage caused by untrue assertions in such cases.

6. Can reports also be submitted anonymously?

Whistleblowers have the possibility of filing reports anonymously by means of the reporting tool. When entering information, one should thus pay attention to the fact that the report should not enable people to draw conclusions concerning the person who has filed the report. Communication between whistleblower and reporting office is also possible in case of reports which are filed anonymously, if the whistleblower activates the inbox. The company assures whistleblowers, that the company will not take any measures serving to identify the whistleblower in case of anonymous reports. This is only applicable in case of good faith whistleblowers.

7. How does the LEONHARD WEISS reporting tool work?

By means of the LEONHARD WEISS reporting tool reports can be submitted in writing (point 7.1). The whistleblower also has the possibility of having a personal conversation with a person in charge of the reporting office (point 7.2).

7.1 Written submission

The tool works like a safe locker which is accessible from two sides. On one side of the system there is the whistleblower, who enters all important information via a query template. On the other side of the system there is a small circle of members of the LEONHARD WEISS - reporting tool who have an obligation of confidentiality, who receive reports, check and process them. The system also allows confidential communication between whistleblower and members of the LEONHARD WEISS - reporting tool after a report has been filed. After an incoming report has been checked, the reporting office will take suitable measures, in order to investigate the matter and stop potential malpractice.

Detailed information about what is going to happen, once a report has been filed, is explained in the following steps:

Step 1: Filing of the report and opening of the inbox by the whistleblower

When entering the report, the whistleblower is lead through an entry mask. This is meant to make sure, that the report contains all relevant information as far as possible. The entry mask contains mandatory fields, as well as voluntary fields. At the end the whistleblower has the possibility of checking the information once again, before submitting the report.

By using the LEONHARD WEISS reporting tool the whistleblower and the members of the LEONHARD WEISS - reporting tool have the possibility of communicating with each other by means of the system.

When submitting the report the whistleblower can open an inbox, which offers a confidential channel of communication between the whistleblower and the reporting office for the time during which the report is being processed. For this purpose, the whistleblower receives a 16-digit code when submitting his report and must choose a 4-digit personal identification number (PIN). If the whistleblower additionally wants to be notified about messages in his inbox of the LEONHARD WEISS reporting tool by email, he can choose this option.

The filing of a report is also possible without opening an inbox. However, LEONHARD WEISS encourages whistleblowers to use the inbox feature and the possibility of communication it offers. Only the use of this feature guarantees the best possible investigation of reports and enables the whistleblower to receive feedback concerning his report.

Step 2: Reception and processing

The reports are received by a limited circle of members of the LEONHARD WEISS - reporting tool. No further persons or LEONHARD WEISS have access to the communication between reporting office and whistleblower (for the protection of confidentiality see § 9 of this employer/works council agreement).

The members of the LEONHARD WEISS - reporting tool work for and in the name of LEONHARD WEISS and are therefore not authorised to give the whistleblower any legal advice. They are, however, independent in the operation of the reporting office. LEONHARD WEISS is particularly not entitled to demand the disclosure of the identity of a whistleblower from the members of the LEONHARD WEISS - reporting tool.

Step 3: Confirmation of receipt

If the whistleblower uses the LEONHARD WEISS reporting tool and opens the inbox, he will timely receive a confirmation that the report has been received, at the latest within seven days after submitting the report.

Step 4: Checking of the report

After reception of the report the members of the LEONHARD WEISS - reporting tool will check it for completeness and soundness. As far as this is sensible and required, the whistleblower will be asked for a completion of his report (if he has opened the inbox).

Step 5: Verification and taking of measures

In a further step the members of the LEONHARD WEISS - reporting tool will evaluate, which further measures are suitable and required. The members of the LEONHARD WEISS - reporting tool will create a summary of the matter described in the report and transfer this summary to the compliance office and division manager – personnel management of LEONHARD WEISS. On this basis LEONHARD WEISS will decide about the taking of further measures. This can be internal investigations to clear up the facts of the case, for example, the termination and/or sanction of the reported malpractice or the termination of the process due to a lack of proof. It is also conceivable that the malpractice will be reported to a responsible authority or transferred to this authority.

Confidentiality will also be protected when further measures are taken, of course.

Step 6: Feedback to the whistleblower

Within three months after the confirmation of the reception of the report concerning relevant malpractice the whistleblower will receive feedback, if he has opened the inbox. The feedback will inform him which measures have been taken following his report or will still be taken, also stating the relevant reasons.

7.2 Personal conversation

By request the whistleblower can also have a personal conversation in person or on the telephone with a person in charge of the reporting office, in order to discuss the report. The chat function of the IT tool can be used to make an appointment after a report has been submitted. If the personal conversation takes place outside Germany and/or in another language than German or English, local auxiliary persons can be brought in (for ex. lawyers) for the conversation or they can lead the conversation with the whistleblower for the persons in charge of the reporting office. In this case the same principles according to this code of procedure are applicable for the local auxiliary persons as for the persons in charge of the reporting office.

8. How is the identity of the whistleblower protected?

The LEONHARD WEISS reporting tool is devised in such a secure manner, that the confidentiality of the identity of the whistleblower is guaranteed, as long as the whistleblower acts in good faith (point 4) and submits a report concerning relevant malpractice (point 3). Persons other than the members of the LEONHARD WEISS - reporting tool have no access to the system. The identity of the whistleblower will not be made known to persons other than the members of the LEONHARD WEISS reporting tool and, if required persons, who are responsible for taking the further measures, or who will support them in fulfilling their duties and are thus bound to confidentiality. In order to guarantee confidentiality, no information will be divulged which may contain direct or indirect clues leading to the identity of the whistleblower, as far as this is recognisable for the members of the LEONHARD WEISS - reporting tool.

Naturally, LEONHARD WEISS will also treat the identity of the person cited in the report confidentially according to the legal prescriptions.

9. Are there limits to the protection of confidentiality?

For reasons of transparency we must point out, that the members of the LEONHARD WEISS - reporting tool and/or LEONHARD WEISS may, under certain circumstances, be legally obliged to divulge information which is contained in a report and protected, namely by an authority or in connection with criminal proceedings/court proceedings. In such cases the whistleblower will be informed in advance with an explanation of the reasons, as far as this is possible and allowed.

10. Is data protection respected?

Incoming reports are documented in a manner guaranteeing the protection of confidentiality. They are only preserved, as long as this is required for clearing up and following up on the report (including potential further measures) and as far as this is sensible or required according to the respectively valid legislation.

The filing of a report is regularly connected to the communication of personal data. Further information concerning the purpose and legal basis for the processing of personal data in connection with the internal reporting office and the rights of the parties concerned are available in our information concerning data protection.

11. Who reads and handles the incoming reports?

The company cooperates with a reporting office, in order to be able to handle the reports. This reporting office is part of a law office, with which the company also cooperates in other legal matters. However, the reporting office is independent.

Attachment of the code of procedure

1. Risks in the field of human rights

A risk in the field of human rights in the sense of the supply chain law is a situation during which, due to the actual conditions, a breach of the following prohibitions is imminent with ample probability:

1. the prohibition of employing a child under the age at which the compulsory school attendance ends according to the legal prescriptions of the location of employment, whereas the employed person may not be under the age of 15 years; this is not applicable if the legal prescriptions of the location of employment deviate from this stipulation in accordance with article 2 paragraph 4, as well as the articles 4 to 8 of the convention n° 138 of the International Labour Organisation dated 26th June 1973 about the minimum age for the access to employment (Federal Gazette 1976 II p. 201, 202);

2. the prohibition of the worst kinds of child labour for children under the age of 18 years; this includes according to article 3 of the convention n° 182 of the International Labour Organisation dated 17th June 1999 concerning the prohibition and the immediate measures for eliminating the worst kinds of child labour (Federal Gazette 2001 II p. 1290, 1291):

a) all forms of slavery or all slavery-like practices, like the sale of children and child trafficking, debt bondage and serfdom, as well as forced labour or compulsory labour, including the forced or compulsory recruitment of children for the assignment in armed conflicts,

b) the use, facilitation or offer of a child in prostitution, for the production of pornography or for pornographic performances,

c) the use, facilitation or offer of a child for illegal activities, especially for the production and trafficking of drugs,

d) work, which due to its nature or due to the conditions, under which it is performed, is probably hazardous for the health, the safety or morals of children;

3. the prohibition of employing persons in forced labour; this includes any work or service, which is demanded of a person by threatening punishment and for which this person has not volunteered, for ex. as a result of debt bondage or human trafficking; except from forced labour are work or services, which are in accordance with article 2 paragraph 2 of the convention n° 29 of the International Labour Organisation dated 28th June 1930 concerning forced labour or compulsory labour (Federal Gazette 1956 II S. 640, 641) or with article 8 letters b and c of the International Pact dated 19th December 1966 concerning civil and political rights (Federal Gazette 1973 II p. 1533, 1534);

4. the prohibition of any form of slavery, slavery-like practices, serfdom, or other form of execution of sovereignty or suppression in the field of the workplace, for ex. by means of extreme economic or sexual exploitation or humiliation;

5. the prohibition of neglecting the duties in the field of occupational health and safety prescribed at the location of employment, if this causes the danger of accidents at work or work-induced health risks, especially through:

a) obviously insufficient safety standards in the field of provision and maintenance of the place of employment, workplace, and the work equipment,

b) the absence of suitable protective measures to prevent the influence of chemical, physical or biological substances,

c) the absence of measures for preventing excessive bodily or mental fatigue, especially caused by unsuitable work organisation in connection with work hours and rest periods or

d) the insufficient training and instruction of employees;

6. the prohibition of the disregard of the freedom of association, according to which

a) employees may freely associate in worker's unions or join these unions,

b) the foundation, the joining of and membership in a union may not be used as reason for unjustified discriminations or retaliation,

c) unions may act freely in accordance with the legal prescriptions of the location of employment; this includes the right to strike and the right to collective negotiations;

7. the prohibition of unequal treatment in employment for ex. due to national and ethnic origin, social background, health situation, handicap, sexual orientation, age, gender, political opinion, religion or philosophy of life, as long as these are not based on the requirements of the employment; an unequal treatment especially includes the payment of unequal compensation for equivalent work;

8. the prohibition of withholding an adequate compensation; the adequate compensation is at least the prescribed minimum wage according to the applicable legislation and is otherwise evaluated according to the law of the location of employment;

9. the prohibition of the wilful causation of a hazardous change of the soil, pollution of a water body, pollution of the air, hazardous noise emission or an excessive use of water, which

a) considerably influences the natural resources for the conservation and the production of food,

b) denies a person the access to flawless potable water,

c) impedes or destroys a person's access to sanitary facilities or

d) damages a person's health;

10. the prohibition of illegal eviction and the prohibition of the illegal deprivation of land, forest and water bodies during the purchase, the construction or other use of land, forest and water bodies, the use of which guarantees the livelihood of a person;

11. the prohibition of assignment or use of private or public security personnel for the protection of the entrepreneurial project, if due to insufficient instruction or control by the company during the assignment of the security personnel

a) the prohibition of torture and cruel, inhuman, or humiliating treatment is disregarded,

b) life and limb are harmed or

c) the freedom of association and coalition are impaired;

12. the prohibition of activities or omissions contrary to duty exceeding the points 1 to 11, which are immediately suitable to influence a protected legal right in particularly serious manner and the illegality of which is obvious even if all potential conditions are reasonably taken into account.

2. Environmental risk

An environmental risk in the sense of the supply chain law is a situation, during which, due to the actual circumstances, a breach of one of the following prohibitions is imminent with ample probability:

1. the prohibition of the production of products containing mercury according to article 4 paragraph 1 and attachment A part I of the convention of Minamata dated 10th October 2013 concerning mercury (Federal Gazette 2017 II p. 610, 611) (Minamata Convention);

2. the prohibition of the use of mercury and mercury compounds during production processes in the sense of article 5 paragraph 2 and attachment B part I of the Minamata convention after the phase-out date defined in the convention for the respective products and processes;

3. the prohibition of the treatment of mercury waste against the stipulations of article 11 paragraph 3 of the Minamata Convention;

4. the prohibition of the production and use of chemicals according to article 3 paragraph 1 letter a and attachment A of the Stockholm convention dated 23rd May 2001 concerning persistent organic hazardous substances (Federal Gazette 2002 II p. 803, 804) (POP Convention), last amended by the decision dated 6th May 2005 (Federal Gazette 2009 II p. 1060, 1061), in the version of the decree (EU) 2019/1021 of the European Parliament and the Council dated 20th June 2019 concerning persistent organic hazardous substances (Official Journal of the European Union L 169 dated 26/5/2019, p. 45), last amended by the delegated decree (EU) 2021/277 of the Commission dated 16th December 2020 (OJ L 62 dated 23/2/2021, p. 1);

5. the prohibition of not environmentally friendly handling, collection, storage and disposal of waste according to the regulations, applicable in the applicable legal system according to the prescriptions of article 6 paragraph 1 letter d point i and ii of the POP convention;

6. the prohibition of exporting hazardous waste in the sense of article 1 paragraph 1 and other waste in the sense of article 1 paragraph 2 of the Basel convention concerning the control of cross-border transport of hazardous waste and their disposal dated 22nd March 1989 (Federal Gazette 1994 II S. 2703, 2704) (Basel Convention), last amended by the third decree for the modification of attachments of the Basel Convention dated 22nd March 1989 dated 6th May 2014 (Federal Gazette II p. 306, 307), and in the sense of the decree (EC) n° 1013/2006 of the European Parliament and the Council dated 14th June 2006 concerning the transport of waste (Official Journal of the European Union L 190 dated 12/7/2006, p. 1) (decree (EC) n° 1013/2006), last amended by the Delegated Decree (EC) 2020/2174 of the Commission dated 19th October 2020 (OJ L 433 dated 22/12/2020, p. 11)

a) into a contracting party, who has forbidden the import of such hazardous waste and other waste (article 4 paragraph 1 letter b of the Basel Convention),

b) into a state in the sense of article 2 number 11 of the Basel Convention, which has not given its written approval to the import concerned, if this state has not forbidden the import of this hazardous waste (article 4 paragraph 1 letter c of the Basel Convention),

c) into a contracting party of the Basel Convention (article 4 paragraph 5 of the Basel Convention),

d) into a state, if such hazardous waste or other waste cannot be treated in an environmentally friendly manner in this state or elsewhere (article 4 paragraph 8 sentence 1 of the Basel Convention);

7. the prohibition of exporting hazardous waste of states listed in attachment VII of the Basel Convention into states, which are not listed in attachment VII (article 4A of the Basel Convention, article 36 of the decree (EC) n° 1013/2006), as well as

8. the prohibition of importing hazardous waste and other waste from a party which is not a part of the Basel Convention (article 4 paragraph 5 of the Basel Convention).

3. Breach of a duty in the field of human rights or environmental protection

A breach of a duty in the field of human rights in the sense of the supply chain law is the violation of a prohibition listed in clause 1 number 1 to 12. A breach of a duty in the field of environmental protection in the sense of the supply chain law is a violation of a prohibition listed in clause 2 number 1 to 8.