

KLETTGRUPPE

Guideline to the Whistleblower System of
Ernst Klett Aktiengesellschaft

Last updated: 07/2023

Contents

01 Internal reporting channel	03
02 Who can use the internal reporting channel?	04
03 Legal basis – what can be reported?	05
04 Procedure and follow-up action	06
4.1 What happens with my report?	
4.2 Follow-up action	
05 Anonymity	07
5.1 Protection of anonymity by the system	
5.2 Personal anonymity	
06 Consequences of a false report	08
07 Protection of persons affected	08
08 Documentation and deletion	08
09 External reporting channel	08

Internal reporting channel

Ernst Klett AG is committed to promoting fair and lawful conduct by its employees in their relations with each other and with people outside the company. All employees, regardless of their position, must adhere to the code of conduct in our currently valid compliance guidelines.

If you become aware of any violations of compliance rules at work, please report them immediately to your supervisor or the responsible compliance officer of Ernst Klett AG, Melanie Huber. Thank you for your courageous participation.

Our electronic whistleblower system enables you to submit reports on compliance violations at any time. You can also submit reports anonymously. The whistleblower system can be reached at www.klett-gruppe.de/en/compliance.

Compliance officer Melanie Huber is the only person with access to the electronic whistleblower system. She will carefully examine all reports received and treat them as strictly confidential. The compliance officer is fully independent in all situations and not bound by instructions.

Who can use the internal reporting channel?

The whistleblower system of Ernst Klett AG can be used by all of its employees. In addition, it is available to external business partners, like customers and suppliers.

Ernst Klett AG cannot process any reports pertaining to other companies of the Klett Group. In such cases please contact the responsible compliance department of the organization involved.

Legal basis – what can be reported?

The basis of the system is the German Whistleblower Protection Act (HinSchG).

The purpose of this act is to give better protection to whistleblowers and persons affected by whistleblower reports.

Whistleblowers can rely on the protection of this act if they report any of the following violations:

1. Violations that carry a criminal penalty under German law.
2. Violations that can be penalized with a fine, in so far as the violated provision aims to safeguard (i) the physical integrity and health of employees or (ii) employees' rights and their representative bodies.

Administrative fine provisions safeguard (i) the physical integrity and health of employees or (ii) employees' rights and their representative bodies if this is their intended purpose or if they contribute to safeguarding the above-named legal interests and rights. These include provisions in the following areas:

- Safety at work
- Health protection
- Rights pursuant to the German Minimum Wage Act

3. Violations of legal standards that were established in order to implement European regulations. Examples of areas covered by regulations:

- Anti-money laundering
- Product safety
- Environmental protection and radiation protection
- Consumer protection
- Data protection
- Information security
- Public procurement
- Accounting rules for corporations

Apart from the law, compliance violations can also occur in the following areas:

- The code of conduct of Ernst Klett AG
- Human rights
- Discrimination, harassment
- Money laundering, bribery, corruption, fraud

- Product safety and conformity
- Taxation, financial transactions
- Environmental protection, renewable energy sources, energy efficiency
- Consumer rights and consumer protection
- Protection of personal data
- IT security
- Accounting, bookkeeping
- Public procurement

If you submit a report as a whistleblower, it must refer specifically to Ernst Klett AG or a body of Ernst Klett AG with which you are or were in contact.

If you are unsure whether your report concerns one of the areas named above, please contact us in any case. We check every report.

Procedure and follow-up action

4.1 What happens with my report?

The internal reporting channel:

1. sends a confirmation to the whistleblower no later than seven days after receiving a report,
2. determines whether the reported offence falls within the scope of application,
3. stays in touch with the whistleblower,
4. determines whether the report has a basis in fact,
5. requests further information from the whistleblower if necessary,
6. takes appropriate follow-up action and
7. informs the whistleblower within three months after receipt of the report on action that was taken or is planned.

4.2 Follow-up action

The reporting office can take action according to one of several scenarios:

- It initiates an internal investigation. It successively contacts the persons and units involved.
- If it discovers a violation of applicable law or internal rules, it takes immediate corrective measures. It takes steps to prevent similar violations in the future.
- It terminates the process for lack of evidence or other reasons.
- It passes the matter on to a competent authority, such as the public prosecutor.
- It does not classify the report as a compliance violation. It refers the whistleblower to a different office or authority.

Anonymity

5.1 Protection of anonymity by the system

The whistleblower system and the webserver are configured so that they do not record the IP addresses of devices used to submit a report, and they save only technically necessary (session) cookies.

When a report is submitted, the system creates a secure mailbox that is accessible only to the whistleblower. Each whistleblower needs a case number (case ID) and a password in order to log in. The case number is automatically generated by the system, and the whistleblower creates a password.

We recommend using private devices to submit a report.

Before uploading a file, the whistleblower should delete any metadata that could reveal his or her identity.

5.2 Personal anonymity

All information transmitted to the system is treated as confidential. This applies in particular to personal data. Cases are processed according to the need-to-know principle. This means that persons and offices are informed only if absolutely necessary. The identity of a whistleblower will not be disclosed against his or her wishes, unless this is required by law. Exceptions to this are legal reporting duties and obligations to notify a public authority.

06

Consequences of a false report

Persons who submit false information with willful intent or gross negligence do not enjoy whistleblower protection. In such cases these persons are liable to pay damages.

07

Protection of persons affected

The rights of persons who are the object of a whistleblower report are also protected. This applies in particular to protection of their identity during an investigation.

08

Documentation and deletion

Reports are documented in the whistleblower system in keeping with the obligation to maintain confidentiality. This documentation is deleted three years after the conclusion of a process. According to the German Whistleblower Protection Act, documentation can be retained for a longer period if this is required under the act itself or other legal regulations, as long as this is necessary and proportionate to the purpose.

09

External reporting channel

The external reporting channel of the German federal government was established at the [Federal Office of Justice](#).

We want to investigate compliance violations first within Ernst Klett AG and therefore ask you to use our internal whistleblower system.