

## **Standard operating procedure of the Leuze Group for the processing of complaints regarding violations of human rights and environmental due diligence obligations within the meaning of § 8 LkSG**

**December 2023**

### **Preamble**

Leuze electronic GmbH + Co. KG and its subsidiaries (hereinafter collectively referred to as the "Leuze Group") attach great importance to compliance with the law and internal company guidelines.

In order to identify violations as early as possible, a legal ombudsman has been appointed as part of the compliance management system (CMS) to set up and operate an outsourced internal reporting platform within the meaning of Section 14 (1) of HinSchG.

The internal reporting platform within the meaning of the HinSchG also performs the function/task of the complaints platform within the meaning of Section 8 of the Supply Chain Act (LkSG).

The Leuze Group has established a central complaints process in order to recognize violations of the obligations under the LkSG at an early stage and initiate appropriate countermeasures. The objective of the Leuze Group is to implement the requirements of the LkSG and to fairly and appropriately follow up on information and complaints regarding human rights and environmental risks as well as violations of human rights and environmental obligations in the Leuze Group's supply chain.

The standard operating procedure contains the legal requirements for the complaints procedure under the LkSG and are based on the handout "Complaints procedure under the Supply Chain Act", published by the Federal Office of Economics and Export Control (BAFA).

### **A. Who is responsible for receiving complaints in the Leuze Group supply chain?**

Compliance Officer Services Legal, attorney Stephan Rheinwald (legal ombudsman of the Leuze Group), Mr. Stephan Rheinwald holds the position of the complaints platform within the meaning of § 8 LkSG (and the internal reporting platform within the meaning of § 14 para. 1 HinSchG) under the contact details given in this standard operating procedure.

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## B. Details of the complaints procedure

### I. Who can submit a report or complaint?

This standard operating procedure is intended for employees of companies of the Leuze Group, employees of direct or indirect suppliers of the Leuze Group, customers and contractual partners of the Leuze Group and other third parties (hereinafter referred to as "**Whistleblowers**").

### II. Which complaints are processed?

The LkSG complaint procedure can be used to draw attention to human rights and environmental risks as well as violations of human rights or environmental due diligence obligations within the meaning of the LkSG that exist in the business area of the Leuze Group or a direct or indirect supplier.

Details on the individual categories of possible violations can be found in the **appendix** "Categories of possible violations of the LkSG".

### III. Which reporting channels can be used to report information or submit complaints?

Whistleblowers have the opportunity to submit complaints to the Leuze Group's legal ombudsman/complaints platform using the contact details below.

#### **Compliance Officer Services Legal**

#### **Attorney Stephan Rheinwald**

Telemannstraße 22

53173 Bonn

Phone: 0228/ 35036291

Fax: 0228/ 35036292

E-Mail: [s.rheinwald@cos-legal.eu](mailto:s.rheinwald@cos-legal.eu)

It is also possible to submit information anonymously via the following portal:

<https://portal-hinweisgebersystem24.de/#/leuze>

Information/complaints can be submitted in person and by telephone in German and English. Information can be submitted in text form in all languages.

Whistleblowers do not incur any costs or legal fees for providing information. All information will be treated in strict confidence.

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## IV. What happens after a complaint has been submitted?

### 1. General principles

The processing of the reports and the corresponding investigation is carried out fairly, objectively and with regard to the confidentiality of the whistleblower's identity.

The applicable provisions of the General Data Protection Regulation (GDPR) and the Federal Data Protection Act (BDSG), as amended, are complied with.

The persons entrusted by the Leuze Group with the implementation of the procedure shall act impartially. They are independent in the performance of their duties, are not bound by instructions and are obliged to maintain confidentiality.

### 2. Confirmation of receipt

The receipt of a complaint is documented by the complaints platform and confirmed to the whistleblower within seven days at the latest (written confirmation of receipt).

As part of the confirmation of receipt, the whistleblower will also be informed about the next steps, the timeline of the procedure and their rights with regard to protection against discrimination or punishment as a result of the procedure or the use of other formal complaints procedures.

In the case of an anonymous complaint without providing contact details, no confirmation of receipt will be sent.

### 3. Investigation of the complaint

The legal ombudsman carries out a validity check, i.e. he checks whether the incoming complaint - assuming the alleged facts to be true - would actually constitute a violation of human rights and environmental due diligence obligations in accordance with the LkSG. For this purpose, if possible, questions are asked to the whistleblower and an initial rough investigation is carried out with the involvement of the Leuze Group.

In the event of a lack of validity, the whistleblower will receive a justification of the negative finding in text form.

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#### 4. Proposal on how to proceed

If the information is valid, the legal ombudsman makes a proposal to the management of the company concerned within the Leuze Group on how to proceed.

The whistleblower will also be involved in the creation of the proposal - where appropriate based on the facts of the case.

Legal requirements, in particular those of the GDPR/BDSG and the issue of data subject information, are examined and taken into account as part of the proposal.

#### 5. Investigation

The matter will be investigated by the legal ombudsman, the Leuze Group, an auditing firm or another third party commissioned by the Leuze Group. In order to gain a better understanding of the facts of the case, the matter will be discussed with the whistleblower, insofar as this is useful and necessary for further clarification of the facts.

Where necessary, an investigation report will be drawn up, which should contain not only the findings but also the measures to be taken.

The proposal for corrective action is developed in consultation with the whistleblower.

#### 6. Investigation result

The company concerned within the Leuze Group will decide on the results of the investigation and the measures to be taken.

If the Leuze Group determines that a violation of a human rights-related or environmental obligation has already occurred or is imminent in its own business area, the Leuze Group will immediately take appropriate corrective actions to end the violation. If violations of human rights or environmental obligations are confirmed at a supplier, appropriate follow-up measures will be taken on a case-by-case basis.

Upon request, the result will be evaluated together with the whistleblower. A person appointed by the Leuze Group monitors the implementation of the agreed measures.

The effectiveness of the corrective actions is reviewed at least once a year and on an ad hoc basis.

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## 7. Feedback to the whistleblower

The legal ombudsman shall provide feedback to the whistleblower/complainant within three months of confirming receipt of the whistleblowing/complaint. The feedback includes notification of planned and already taken follow-up/corrective actions as well as the reasons for these (unless the whistleblower has already been involved in the development of actions).

However, feedback to the whistleblower/complainant will only be provided to the extent that this does not affect internal inquiries or investigations and does not prejudice the rights of the persons who are the subject of a report or who are named in the report.

## 8. Do I have to fear personal disadvantages in the event of a complaint?

Whistleblowers who submit their complaint to the best of their knowledge and belief are particularly protected against discrimination and punishment. Therefore, they do not have to fear any personal disadvantages if they express their concerns or ask for advice.

Even after the case has been closed, it is possible and desirable to maintain contact between the complaints platform/Leuze Group and the whistleblower in order to ensure that the latter is not subsequently jeopardized by retaliatory measures.

## 9. Documentation obligation

The results of investigations about violations of obligations under the LkSG and the follow-up actions are documented in an internal final report. The documentation is kept for at least seven years from its creation.

## 10. Review of the effectiveness of the complaints procedure

The effectiveness of the complaints procedure is reviewed by the Leuze Group at least once a year and on an ad hoc basis. As part of the review, the extent to which the procedure is known internally within the Leuze Group is also examined.

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## Appendix: Categories of possible violations of the LkSG

The complaints procedure applies to the following human rights and environmental issues covered by the LkSG:

### Human rights risks in accordance with Section 2 (2) LkSG

- Violation of the prohibition of child labor (No. 1 and 2)
- Violation of the prohibition of forced labor and all forms of slavery (No. 3 and 4)
- Disregard for occupational health and safety and work-related health hazards (No. 5)
- Failure to respect freedom of association and the right to collective bargaining (No. 6)
- Violation of the prohibition of unequal treatment in employment (No. 7)
- Violation of the prohibition of withholding an appropriate wage (No. 8)
- Destruction of the natural basis of life through environmental pollution (No. 9)
- Unlawful violation of land rights (No. 10)
- Violation of the prohibition on hiring or using private/public security forces that can lead to impairments due to lack of instruction or control (No. 11)
- Violation of the prohibition of an [...] act or omission contrary to duty which is directly capable of impairing a protected legal position (= further human rights) in a particularly serious manner and the unlawfulness of which is obvious on a reasonable assessment of all the circumstances in question (No. 12)

### Environmental risks in accordance with Section 2 (3) LkSG

- Violation of a prohibition resulting from the Minamata Convention (No. 1 - 3)
- Violation of the prohibition on the production and/or use of substances within the scope of the Stockholm Convention (POPs) and non-environmentally handling of waste containing POPs (No. 4 and 5)
- Violation of the prohibition on the import and export of hazardous waste within the meaning of the Basel Convention (No. 6 - 8)

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