



# Report on the SCDDA

Wieland Group

Status October 1 – September 30, 2023

# Inhalt

<b>Strategy &amp; embedding</b>	2
Monitoring of risk management &	2
Responsibility of the management	
Policy statement on the human rights strategy	4
Embedding the human rights strategy within our own organisation	5
<b>Risk analysis and preventive measures</b>	6
Implementation, procedure and results of the risk analysis	6
Preventive measures in own operations	8
Preventive measures for direct suppliers	9
Preventive measures for indirect suppliers	10
Communicating the results	11
Changes in predisposition to risk	11
<b>Identification of violations and corrective measures</b>	12
Identification of violations and corrective measures in our own operations	12
Identification of violations and corrective measures with direct suppliers	12
Identification of violations and corrective measures for indirect suppliers	14
<b>Complaints procedure</b>	16
Establishment of or participation in a complaints procedure	16
Requirements for the complaints procedure	18
Implementation of the complaints procedure	18
Review of risk management	19

# Strategy & Anchoring

## Monitoring of risk management & responsibility of the management

**What responsibilities were defined for monitoring risk management in the reporting period?**

**Christian Enzinger**

Sustainability Manager Global Procurement

**Markus Ott**

Referent Center of Excellence – Global Procurement

**Has the management established a reporting process that ensures that it is informed regularly – at least once a year – about the work of the individual responsible for monitoring risk management?**

**It is confirmed that the management has established a reporting process that ensures that it is informed regularly – at least once a year – about the work of the individual responsible for monitoring risk management within the meaning of Section 4 (3) LkSG.**

– Bestätigt

**Describe the process that ensures reporting to management at least once a year or regularly with regard to risk management.**

Reports are made to the Supervisory Board and the Audit Committee twice a year. The Internal Audit (IA) department regularly monitors risk management, adherence to external and internal compliance regulations and the implementation of the internal control system through systematic audits. As a body that is independent of the company process, it contributes to the regularity, improvement of business processes and effectiveness of the installed systems and controls. In addition, the auditor audits the risk early warning system for compliance with legal requirements. The audit results of the auditor and IA are reported to the Management Board and Supervisory Board (Audit Committee) and, if necessary, to the managing directors of the companies in their own business area.

## Policy statement on the human rights strategy

### **Is there a policy statement that has been prepared or updated on the basis of the risk analysis carried out during the reporting period?**

The policy statement has been uploaded.

[www.wieland.com/en/content/download/18507/file/Wieland-Policy-Statement-Human-Rights-Strategy.pdf](http://www.wieland.com/en/content/download/18507/file/Wieland-Policy-Statement-Human-Rights-Strategy.pdf)

### **Has the policy statement for the reporting period been communicated?**

It is confirmed that the policy statement has been communicated to employees, the works council if applicable, the public and the direct suppliers where a risk was identified in the risk analysis.

- Confirmed

### **Please describe how the policy statement was communicated to the relevant target groups.**

The policy statement is communicated to internal stakeholders (employees, works council, temporary workers, etc.) via the intranet; external stakeholders can access the policy statement via the public website ([www.wieland.com](http://www.wieland.com)).

### **What elements does the policy statement contain?**

- Introduction of the risk management system
- Annual risk analysis
- Establishment of preventive measures in the company's own operations, with direct suppliers and, if applicable, indirect suppliers
- Remedial measures in own operations, at direct suppliers and, if applicable, indirect suppliers
- Setting up of complaints procedure
- Documentation and reporting requirements
- Description of the priority risks identified
- Description of human rights-related and environmental expectations of of Wiealnd`s own employees and suppliers

### **Description of possible updates in the reporting period and the reasons for them.**

The declaration of principles was updated in the reporting period due to process adjustments.

## Embedding the human rights strategy within your own organization

### **In which relevant departments / business processes was the embedding of the human rights strategy ensured during the reporting period?**

- Personal/HR
- Standortentwicklung/-management
- Umweltmanagement
- Arbeitssicherheit & Betriebliches Gesundheitsmanagement
- Kommunikation/Corporate Affairs
- Einkauf/Beschaffung
- Zulieferermanagement
- CSR/Nachhaltigkeit
- Recht/Compliance
- Mergers & Acquisitions
- Community/Stakeholder Engagement
- Internal Audit

### **Describe how responsibility for implementing the strategy is distributed within the various departments / business processes.**

The Management Board is responsible for defining and embedding the human rights strategy in the Wieland Group. It has delegated the measures required for implementation and their monitoring to qualified, carefully selected individuals within the organization.

A risk and relevance analysis was used to identify those areas and their industries that could potentially be affected by the relevant topics.

### **Describe how the strategy is integrated into operational processes and procedures.**

The strategy is operationalized in the form of individual policies tailored to the respective departments and their tasks (e.g. guidelines on sustainable procurement, policies on the implementation of the LkSG, Code of Conduct, guidelines on human rights and working conditions). To anchor the content of the respective policies, the relevant recipient groups are trained. Furthermore, existing and new suppliers for strategically important projects are checked in advance using standardized criteria before further contracts are awarded and the results are presented to an audit committee.

### **Describe which resources & expertise are provided for implementation.**

Wieland uses a multi-stage process to review the supplier base and its own operations. In the first step, a risk management tool is used to carry out an initial assessment based on objective criteria. Based on the result, further manual checks are initiated by qualified persons in the Corporate Function Global Procurement if necessary and development measures are implemented and monitored.

# Risk analysis & prevention measures

## Implementation, procedure & results of the risk analysis

### **Was a regular (annual) risk analysis carried out during the reporting period to identify, weight and prioritize human rights and environmental risks?**

- Yes, for your own business area
- Yes, for direct suppliers

### **Describe the period in which the annual risk analysis was carried out.**

The annual risk analysis was carried out for the period from 1 January 2023 to 30 September 2023.

### **Describe the risk analysis procedure.**

At least once a year and on an ad hoc basis, Wieland determines whether a risk exists and whether its own business activities or the business activities of its direct (and, if there are indications, indirect) suppliers violate human rights and environmental requirements. The risk analysis is carried out on an ad hoc basis if a significant change or significant expansion of the risk situation in the supply chain is expected, for example due to the acquisition of a new business area. The identified risks are prioritized according to „appropriateness criteria“, type and scope of business activity, the company’s ability to influence the direct causer, the expected severity of the breach, the reversibility of the breach and the probability of the breach occurring. The risk management tool used by Wieland classifies suppliers into different risk levels. This is done on the basis of a classification of suppliers into risky and non-risky countries (the registered office of the contractual partner is considered) and, depending on the goods or services supplied, into a risky or nonrisky

goods group/industry category as well as on the basis of a media screening for potentially risky suppliers. Country risks are determined on the basis of 11 different publicly available indices and categorized as follows no risk, low risk, mid risk, high risk, critical risk. As far as can be seen from the indices, these indices deal thematically with the human rights and environmental risks specified in the LkSG. The risk management tool uses its own available data to determine the industrial risk. This data is categorized into industries (ISIC standard) and product groups. The suppliers have a history of incidents in the individual industries and for individual product groups. This frequency of incidents is also used to make an assessment according to no risk, low risk, mid risk, high risk and critical risk. In addition to the manual analysis, an AI-supported web screening is carried out for the suppliers with the highest risks. This involves checking social media, news and other information available online based on a supplier and risk keyword search to determine whether and which reports exist for the individual suppliers. Reports are sent to Wieland as so-called „Risk Alerts“ are communicated.

### **Were ad hoc risk analyses also carried out during the reporting period?**

- Yes, due to substantiated knowledge of possible violations at indirect suppliers
- Yes, due to a significant change in the risk situation, for example as a result of new products/projects/opening up new markets
- Yes, due to significant change in the risk situation through the development of new business areas

### **Describe the specific occasions.**

The acquisition of new companies with new products, possibly in new regions. Knowledge of possible infringements at direct and indirect suppliers, for example due to media reports.

**Describe what findings the analysis has led to with regard to a significantly changed and / or expanded risk situation.**

Due to the acquisition of new business areas, additional suppliers were analyzed that were identified as risky by the risk management tool due to their location or the respective industry classification.

**Describe the extent to which findings from the processing of information / complaints have been incorporated.**

No reports or complaints were received via the whistleblower system during the reporting period.

## Results of the risk assessment

**What risks were identified in the risk analysis(es) in your own operations?**

- Disregard for occupational health and safety and work-related health risks
- Destruction of the natural habitat through environmental pollution

**What risks were identified in the risk analysis(es) for direct suppliers?**

- Prohibition of commissioning or using private / public security forces that could lead to impairments due to lack of instruction or control
- Disregard for occupational health and safety and work-related health risks
- Destruction of the natural basis of life through environmental pollution
- Disregard of freedom of association – freedom of association & right to collective bargaining

- Prohibition of forced labor and all forms of slavery
- Prohibition of unequal treatment in employment
- Other prohibitions: The prohibition of an act or obligatory omission that is directly capable of impairing a protected legal position (arising from the human rights covenants within the meaning of Section 2 (1)) in a particularly serious manner and the unlawfulness of which is obvious when all relevant circumstances are reasonably assessed
- Prohibited production and / or use of substances within the scope of the Stockholm Convention (POPs) and non-environmentally sound handling of waste containing POPs
- Prohibited production, use and / or disposal of mercury (Minamata Convention)

**What risks were identified in the risk analysis(es) for indirect suppliers?**

- Disregard for occupational health and safety and work-related health risks
- Destruction of the natural basis of life through environmental pollution
- Prohibition of unequal treatment in employment

**Were the risks identified in the reporting period weighted and, if applicable, prioritized and, if so, on the basis of which appropriateness criteria?**

- Yes, based on the expected severity of the injury in terms of degree, number of people affected and irreversibility
- Yes, on the basis of your own influence
- Yes, based on the probability of occurrence
- Yes, based on the nature and scope of the company's own business activities
- Yes, based on the type of causal contribution

**Describe in more detail how the weighting and prioritization process was carried out and what considerations were made.**

A methodology was developed in which first an abstract risk analysis (by country and industry) is carried out and then a concrete one (according to media screening, influencing capacity, causal contribution and our own analysis, e.g. as part of SAQs). Based on this, the prioritization of suppliers with the greatest severity and probability of serious impacts was established.

## Preventive measures in own operations

**Which risks were prioritized in your own operations during the reporting period?**

- Disregard for occupational health and safety and work-related health risks
- Destruction of the natural basis of life through environmental pollution

## Disregard for occupational health, safety & work-related health risks

**What specific risk is involved?**

Fundamental industry-related inherent risks with regard to occupational safety and health risks are regularly reviewed and improved where necessary. This applies, for example, to the individual provision of personal protective equipment. In addition, there is a risk of deliberately disregarding safety measures, which is countered with a regular training program and consistent sanctions. The company often goes beyond the legal requirements with its own specifications for the organization.

## Destruction of the natural basis of life through environmental pollution

**What specific risk is involved?**

There is a fundamental risk of soil and air pollution at the Wieland Group's production sites. Wieland counters these risks within the framework of an environmental management system that is certified to ISO 14001 at selected locations.

**What preventive measures were implemented for the reporting period to prevent and minimize the priority risks in your own operations?**

- Implementation of training courses in relevant business areas
- Implementation of risk-based control measures

## Implementation of training courses in relevant business areas

**Describe the measures implemented and, in particular, specify the scope (e.g. number, coverage / area of application).**

Online training for management on human rights and working conditions, as well as SCDDA training for the management of subsidiaries.

**Describe the extent to which the training to prevent and minimize the priority risks is measured and effective.**

Effectiveness is checked by means of final control questions, the correct answering of which is required to pass the training. In addition, environmental risks and occupational safety issues are monitored by dedicated specialist departments.

## Implementation of riskbased control measures

**Describe the measures implemented and, in particular, specify the scope (e.g. number, coverage / area of application).**

Implementation of management training on human rights and working conditions as well as management training on the framework conditions of the SCDDA (international). Establishment of a dedicated team within CF GP for the continuous, Group-wide review of identified risks. In addition, binding Group-wide guidelines were put in place to regulate SCDDA-specific topics. In addition, a control process following the PDCA cycle was implemented to ensure that findings are taken into account in follow-up measures.

**Describe the extent to which the measures to prevent and minimize the priority risks are measured and effective.**

The measures implemented follow established best practice approaches and international standards (e.g. ISO 14001 for environmental management, ISO45001 for occupational safety). Regular reviews are carried out, taking into account relevant empirical values. Effectiveness is determined on the basis of a target / actual comparison using defined KPIs.

## Preventive measures at direct suppliers

**Which risks were prioritized for direct suppliers during the reporting period?**

- Prohibition of hiring or using private/public security forces that could lead to impairments due to lack of instruction or control
- Disregard for occupational health and safety and work-related health risks
- Destruction of the natural basis of life through environmental pollution
- Disregard of freedom of association – freedom of association & right to collective bargaining
- Prohibition of forced labor and all forms of slavery
- Prohibition of unequal treatment in employment
- Other prohibitions: The prohibition of an act or obligatory omission that is directly capable of impairing a protected legal position (arising from the human rights conventions within the meaning of Section 2 (1)) in a particularly serious manner and the unlawfulness of which is obvious when all relevant circumstances are reasonably assessed
- Prohibited production and/or use of substances within the scope of the Stockholm Convention (POPs) and non-environmentally sound handling of waste containing POPs
- Prohibited production, use and/or disposal of mercury (Minamata Convention)

**What preventive measures were implemented for the reporting period to prevent and minimize the priority risks at direct suppliers?**

- Development and implementation of suitable procurement strategies and purchasing practices
- Integration of expectations in supplier selection
- Obtaining contractual assurance for compliance and implementation of expectations along the supply chain
- Agreement and implementation of risk-based control measures

**Category: Procurement Strategy & Purchasing Practices selected:**

- Development and implementation of suitable procurement strategies and purchasing practices

**Describe the measures implemented and the extent to which the determination of delivery times, purchase prices or the duration of contractual relationships have been adjusted.**

The policy on sustainable procurement serves as a guide within the Wieland Group for contractual relationships with its suppliers. This policy has been communicated externally and internally and serves as a template for all global purchasing organizations. For the reporting period, it was determined that the procurement strategies and purchasing practices are effective and therefore no adjustments had to be made.

**Describe the extent to which adjustments to your own procurement strategy and purchasing practices should contribute to the prevention and minimization of the priority risks.**

Despite existing and functioning procurement strategies and purchasing practices, an assessment of the risk in the selection of new suppliers was introduced through prior checks for strategically important projects or products.

**Other categories: selected:**

- Integration of expectations in supplier selection
- Obtaining contractual assurance for compliance and implementation of expectations along the supply chain
- Agreement and implementation of risk-based control measures

**Describe the extent to which the measures to prevent and minimize the priority risks are measured and effective.**

Acceptance of our Supplier Code is required both in our general purchasing conditions and actively obtained via our purchasing tool and risk management tool. In addition, our strategic suppliers for primarily metal and formats are provided with a letter requesting compliance with our requirements in this area.

## Preventive measures at indirect suppliers

**Which risks were prioritized based on the event-related risk analysis for indirect suppliers?**

- Disregard for occupational health and safety and work-related health risks

**What specific risk is involved?**

- We became aware of the working conditions of potential indirect suppliers through a documentary on German television. Following internal and external investigations, we were provided with a statement from the indirect supplier concerned in which the allegations were refuted.

**What preventive measures were implemented for the reporting period to prevent and minimize the priority risks at indirect suppliers?**

- Development and implementation of suitable procurement strategies and purchasing practices
- Implementation of sector-specific or crosssector initiatives

**Describe the measures implemented and, in particular, specify the scope (e.g. number, coverage/scope).**

Procurement in accordance with the RMI (Responsible Minerals Initiative) provided by positively listed upstream suppliers in the area of raw metals. Wieland has defined a key performance indicator by 2030, which should lead to 100% certified raw metal purchasing. By this we mean audited standards, such as e.g. the industry initiative „The Copper Mark“. We also require all our suppliers to accept our Supplier Code of Conduct, which calls for respect for the internationally recognized human rights of all individuals and compliance with the basic principles of the Universal Declaration of Human Rights in accordance with the UN Guiding Principles on Business and Human Rights and the ten principles of the UN Global Compact.

**Describe the extent to which the measures to prevent and minimize the priority risks are measured and effective.**

The RMI (Responsible Minerals Initiative) aims to promote the common goal of understanding and helping to mitigate the significant social and environmental impacts of the extraction and processing of minerals in supply chains by utilizing direct and indirect partnerships and using international standards such as the United Nations Guiding Principles on Business and Human Rights or the OECD Due Diligence Guidance as a guide.

## Communication of the results

**Were the results of the risk analysis(es) for the reporting period communicated internally to relevant decision-makers?**

It is confirmed that the results of the risk analysis(es) for the reporting period were communicated internally to the relevant decision-makers, such as the Executive Board, the management or the purchasing department, in accordance with Section 5 (3) SCDDA.

- Confirmed

## Changes in the risk position

**What changes have occurred with regard to priority risks compared to the previous reporting period?**

This annual report covers the first reporting period in accordance with the SCDDA, so there are no changes to the previous reporting period. Due to the period of validity of the SCDDA and the financial year Wieland is obliged to report for the first time.

# Identification of violations & remedial measures

## Identification of violations & corrective measures in own business area

**Were any violations identified in your own operations during the reporting period?**

– No

**Describe which procedures can be used to identify violations in your own operations.**

A regular compliance risk assessment is carried out in the Wieland Group in order to identify potential risks. In addition, due to their geographical location, potentially risky companies in the Wieland Group were subjected to an on-site review.

## Identification of violations and corrective measures at direct suppliers

**Were any violations identified at direct suppliers during the reporting period?**

– Yes

**Describe the basis on which the identified violations were weighted and prioritized and what considerations were made.**

Media monitoring in accordance with the SCDDA: Daily AI-supported media screening. Websites from all over the world are searched in over 50 languages for keywords related to the legal position of the SCDDA and the names of the suppliers used. By syntactically analyzing the keywords in the sentence structure of the media sources found then determines whether a connection can be established. If this is found, a message is created.

**In which areas were violations identified at direct suppliers?**

- Prohibition of forced labor and all forms of slavery
- Disregard for occupational health and safety and work-related health hazards
- Disregard of freedom of association – freedom of association & right to collective bargaining
- Destruction of the natural basis of life through environmental pollution
- Prohibited production, use and/or disposal of mercury (Minamata Convention)

**Describe the appropriate remedial action you have taken.**

For identified incidents, the appropriate remedial measures are determined as part of case processing on the basis of the statutory appropriateness criteria. The appropriateness criteria (severity and probability, influence, contribution to causation and type/scope of business activity) form the basis for weighting and prioritizing the identified incident and the remedial measures to be initiated. The evaluation of the appropriateness criteria for each identified incident is documented in a checklist during case processing. The possible incidents collected are recorded and subjected to a multi-stage incident review (= case processing). As part of the incident review, the first step is to check whether the incidents actually occurred (identified violations). If so, the appropriate remedial measures are determined, taking into account the statutory appropriateness criteria. In addition to the aforementioned reviews, direct requests, known as statement requests, were sent to our suppliers, which contributed to the remedial action.

**Describe what considerations were made with regard to the selection and design of the measures as part of the corresponding follow-up concepts for termination and minimization.**

- Nature and scope of business activities
- Influence
- Severity of the injury
- Contribution to causation

The severity is determined by various criteria. On the one hand, the severity of the impairment (the intensity or depth of an injury) plays a role. In the case of certain violations, such as forced labor, involuntary labor or the most serious forms of child labor, the severity of the harm can always be assumed to be significant. The number of people affected or the extent of the environmental impact is also important. Finally, the reversibility of the violation is taken into account. It must first be examined whether it is at all possible to reverse the negative consequences. Irreversible effects are particularly serious. In the case of reversible violations, the effort and resources required to correct the adverse consequences must also be taken into account.

**Describe how the effectiveness of the remedial measures is verified.**

The risk management tool displays the remedial measures that have been initiated and regularly checks the processing status. Follow-up and reminders are initiated if necessary. A final assessment of effectiveness is carried out by the responsible processor

**Have the remedial measures led to the cessation of the injury?**

- Partial

**Explain.**

Remedial measures:

Review of incidents: 4 completed  
Request for comment: 3 completed  
Change of business relationship: Termination of supply relationship: 1 in process

**Have you analyzed the extent to which the identified violation is an indication of a possible adaptation / addition to existing prevention measures? Describe the process, results and effects.**

The results of the measures are evaluated and incorporated into the risk assessment. A measure with a positive result contributes to an improvement in the risk assessment, while a measure with a negative result contributes to a deterioration in the risk assessment. In addition, high-risk suppliers are subjected to continuous media monitoring. Any breaches identified contribute directly to a deterioration in the risk assessment. The risk assessment thus always reflects the current risk situation and serves as a basis for regularly evaluating both the risk management system and the effectiveness of individual measures.

**If there were breaches at direct suppliers during the reporting period that could not be resolved within a foreseeable period of time:**

**Describe the cases in which injuries could not be terminated.**

One supplier has been asked to explain an incident, but despite several reminders we have not yet received a response. Further measures are being initiated.

**If there were breaches at direct suppliers during the reporting period that could not be resolved within a foreseeable period of time:**

**Describe what long-term remedial measures have been taken, in particular what considerations have been made with regard to the selection and design of the measures as part of the corresponding follow-up concepts for termination and minimization.**

Each corrective action is checked and evaluated individually by the processor and processed in accordance with the existing process.

**Describe how the effectiveness of the remedial measures is verified.**

The statements provided on violations are checked by the respective processor for the description of the elimination of the violation and, should it go as far as the suspension of the business relationship, a blocking note is set in the leading ERP system, whereby further business with the supplier is not possible.

**Describe what the concrete timetable for the plan looks like.**

Once the action has been initiated, the supplier is sent a reminder via the system every two weeks. If there is no response from the supplier after repeated reminders, the Wieland process is followed until a decision is made by the Supplier Risk Committee.

**Specify which measures were taken into consideration when creating and implementing the concept.**

– Temporary suspension of business relations

**In how many cases was the business relationship with one or more indirect suppliers terminated as a result of the breaches?**

– In one case

## Identification of violations and corrective measures for indirect suppliers

**Were there any violations at medium-term suppliers during the reporting period?**

– Yes

**Describe on what basis the identified violations were weighted & prioritized and what considerations were made.**

DThe weighting was categorized as follows:

**Critical:** An extremely serious injury that leads to serious health consequences or death in a large number of people. For example, mass poisoning. An environmental disaster that causes extensive and irreparable damage to an ecosystem.

**High:** A serious injury that leads to long-term health consequences for the employee. For example, chronic exposure to toxic chemicals. A serious accident at work that leads to serious injury or even death of workers.

**Medium:** An injury that leads to short-term negative effects on the health of employees or on the environment. For example, a workplace accident with minor injuries. A breach of environmental regulations that leads to soil contamination and requires remediation and restoration measures.

**Low:** A minor violation that has no long-term effects but still violates certain regulations. A minor breach of working time regulations that leads to overtime but does not have serious health consequences.

**Describe what remedial action, if any, has been taken and, in particular, what considerations have been made in relation to the selection and design of measures as part of the corresponding concepts for termination and minimization.**

In this specific case, after analyzing Wieland's concerns, we contacted our immediate supplier directly and asked them for a statement. The supplier in turn took action by directly contacting the affected location in Chile. We received a detailed written response from the location. The site's position was analyzed and assessed and accepted as sufficient due diligence.

**In which areas have violations been identified at medium-sized suppliers?**

– Disregard for occupational health and safety and work-related health hazards

**If breaches at indirect suppliers could not be prevented, ended or minimized within a foreseeable period of time despite appropriate concepts:**

**Describe your further measures.**

In the reporting period, there were no breaches at medium-term suppliers that could not be concluded.

# Complaints procedure

## Establishment of, or participation in, a complaints procedure

### In what form was a complaints procedure offered for the reporting period?

- In-house complaints procedure

### Describe the company's own process and / or the process in which your company participates.

A whistleblowing system (web, telephone and in person) has been set up for the companies of the Wieland Group, which is accessible both internally and to the public. Reports can be submitted anonymously; the system is available in 28 languages to keep the usage threshold as low as possible.

### Which potentially involved parties have access to the complaints procedure?

- Own employees
- Communities in the vicinity of own locations
- Employees at suppliers
- External stakeholders such as NGOs, trade unions, etc.
- Other: Any person.

### How is access to the complaints procedure ensured for the various groups of potentially involved parties?

- Publicly accessible rules of procedure in text form
- Information on accessibility
- Information on responsibility
- Information on the process
- All information is clear and understandable
- All information is publicly accessible

## Publicly accessible rules of procedure in written or electronic form

### Optional: Describe.

The rules of procedure („Information on dealing with complaints about violations in the supply chain (rules of procedure)”) are available via the whistleblower portal ([integrity.wieland.com](http://integrity.wieland.com)).

## Information on availability

### Optional: Describe.

From the Rules of Procedure:

How can I report?

The whistleblower system can be accessed both internally and externally:

via the Internet ([integrity.wieland.com](http://integrity.wieland.com)) and by telephone

(Germany: +49 731 944 1222

North America: +1 502 873 3025

Austria: +43 7472 606 535

World: +49 731 944 1244)

(your telephone provider may charge for a call as agreed with you). We are also available for a personal meeting. In this case, please contact us by e-mail at [compliance@wieland.com](mailto:compliance@wieland.com) to arrange an appointment.

## Information on responsibility

### Optional: Describe

From the Rules of Procedure:

Who will process my tip or complaint?

Complaints and information are received by the Group Compliance Officer. An initial impartial plausibility check is carried out there. Apart from the Group Compliance Officer, only the compliance team, which is also obliged to maintain confidentiality, has access to the complaint

or the notification. Further assessment and processing is carried out – also impartially – by the Supplier Risk Committee (SRC), a committee made up of managers from the relevant departments (Global Purchasing, Metals Purchasing, HR & Human Rights, Sustainability, Compliance) with Group-wide responsibility for supply chain due diligence. The SRC can involve relevant departments and delegate individual steps of the investigation and the implementation of measures. The parties involved in the process are also bound to confidentiality at this point.

## Information on the process

### Optional: Describe.

From the Rules of Procedure:

How is the processing carried out?

We will inform you immediately, but at the latest within seven days, after receipt of your report or complaint about the successful transmission, provided that you have provided us with a corresponding contact option (e.g. telephone number, e-mail address, postal address, anonymous mailbox of the whistleblower portal). Based on your report or complaint, an ad hoc analysis of the facts of the case is carried out, using the criteria of our supplier screening process as a basis. We also involve other stakeholders where necessary. If you have offered us the opportunity to contact you, we will also discuss the facts of the case with you. Based on the outcome of the discussion and review, we implement further measures from our defined portfolio of measures (e.g. supplier development, supplier audit, extended contractual agreements, temporary or complete suspension of the supply relationship) or terminate the review process if there is no need for action (e.g. because there is no infringement within the meaning of the LkSG or we have no relevant influence). The SRC decides on this by majority vote after assessing the factual and legal situation and after hearing any affected stakeholders and discussing the matter with you.

## All information is clear & understandable

### Optional: Describe.

Information is displayed at the start of the notification process. The information is available in 28 languages. It can also be accessed via the company website in the ‚Purchasing‘ section. All relevant points are structured using descriptive headings.

## All information is publicly accessible

### Optional: Describe.

The information is available both via the public company website ([www.wieland.com](http://www.wieland.com)) and again in the whistleblower portal ([integrity.wieland.com](http://integrity.wieland.com)) is publicly available.

### Were the rules of procedure for the reporting period publicly available?

– File has been uploaded

### Rules of procedure:

<https://integrity.wieland.com/report?area=641c8009-d968-42d9-b1b7-7de507bce72e&form=25e8cd92-f2b6-42ac-b2bb-7d035502b8ce>

## Requirements for the complaints procedure

### **Indicate the person(s) responsible for the procedure and their function(s).**

Group Compliance Officer (and team) and the Supplier Risk Committee (VP Purchasing, SVP Sustainability & Technology, SVP HR (Human Rights Officer), President Recycling, Group Compliance Officer, VP Metal Management)

**It is confirmed that the criteria contained in Section 8 (3) LkSG are fulfilled for the responsible persons, i.e. that they offer the guarantee of impartial action, are independent and not bound by instructions and are obliged to maintain confidentiality.**

– Confirmed

**It is confirmed that precautions were taken during the reporting period to protect those potentially involved from being disadvantaged or penalized as a result of a complaint.**

– Confirmed

**Describe what precautions have been taken, in particular how the complaints procedure ensures the confidentiality of the identity of whistleblowers.**

It is possible to submit complaints anonymously. The complainant is proactively informed of this option. A rights and roles concept ensures that only authorized persons have access to complaints received in accordance with the need-to-know principle. In addition, the persons involved in the investigation of the complaint have been separately bound to confidentiality.

**Describe what precautions have been taken, in particular what other measures are in place to protect whistleblowers.**

In addition to the measures mentioned in section 2.1, the Rules of Procedure prohibit any discrimination or punishment of the whistleblower due to their role as a whistleblower. If the report is not made anonymously, the identity of the complainant will not be disclosed in further proceedings unless this is absolutely necessary.

## Implementation of the complaints procedure

**Did you receive any information about the complaints procedure during the reporting period?**

– Yes

**Provide details on the number, content, duration and outcome of the procedures.**

Category: Complaints about working conditions (in own operations)

Number: 1

Content: Scope of personal protective equipment  
Duration of procedure: 6 weeks

Result: The required scope of personal protective equipment was explained to the complainant.

**On which topics have complaints been received?**

Disregard for occupational health and safety and work-related health risks.

**Describe the conclusions drawn from the complaints / reports received and the extent to which these findings have led to adjustments in risk management.**

The complaint received has helped to improve communication regarding the required PPE. In particular, the employees concerned were once again made aware, using specific examples, that a reduction in standards was not acceptable.

# Review of risk management

**Is there a process in place to review the appropriateness and effectiveness of risk management across the board?**

**In which of the following areas of risk management is the appropriateness and effectiveness checked?**

- Resources & Expertise
- Risk analysis and prioritization process
- Preventive measures
- Remedial measures
- Complaints procedure
- Documentation

**Describe how this audit is carried out for the respective area and what results it produces, particularly with regard to the prioritized risks.**

- has led.

Carrying out regular safety analyses, taking into account legal developments and best practice experience. A global occupational safety campaign was derived from this for all locations. With regard to potential environmental risks, relevant production-related environmental impacts are closely and regularly monitored in accordance with legal requirements.

**Are there processes or measures in place to ensure that the interests of your employees, the employees within your supply chains and those who may otherwise be directly affected in a protected legal position by the economic activities of your company or by the economic activities of a company in your supply chains are taken into account in the establishment and implementation of risk management?**

**In which areas of risk management do processes or measures exist to take into account the interests of those potentially affected?**

- Resources & Expertise
- Preventive measures
- Remedial measures
- Complaints procedure

**Describe the processes and measures for the respective area of risk management.**

We use our integrated risk control system to identify and assess risks and to evaluate the respective control processes. On the one hand, risk management aims to monitor existing risks on an ongoing basis and, on the other, to systematically identify and place any new risks that may arise at short notice. To this end, all risks are evaluated in terms of their probability of occurrence and their (net) extent of damage in order to subsequently derive risk management measures. Dealing responsibly with risks also means accepting certain commercial risks in a controlled manner in order to exploit the associated opportunities and achieve economic success. Risk policy principles as well as general rules of conduct and control mechanisms form the cornerstone of the risk control system (RKS). These include, for example:

- IT-supported authorization concepts and authorization concepts in the form of regulations or procedural instructions based on the „need to know“ principle
- System-based and manual controls in combination with segregation of duties as well as approval and release procedures (dual control principle)
- Uniform accounting regulations and consolidation processes
- Audit manuals as the basis for a Group-wide internal control system (ICS)
- Specific security systems (e.g. physical protection, IT security and data protection)
- insurances which, however, offer increasingly limited sums insured. The compliance management system (CMS) set up at Wieland serves to ensure compliance with the law and regulations, including the Group’s internal guidelines. It is based on the principles of IDW PS 980 and ISO 37301 and is managed by the Compliance Committee (CC). In addition, corresponding compliance-relevant functions are

located in the specialist departments and local compliance coordinators are established in the Group companies. A separate CC USA has been set up for the North American region, which reports to the CC of Wieland-Werke AG at least quarterly. In terms of content, Wieland focuses in particular on the compliance issues of competition and antitrust law, corruption prevention, money laundering, data protection, foreign trade law and tax law, for which the tax department is responsible. In addition, supply chain compliance was also included in the focus areas in close cooperation with Purchasing (Global Procurement and Metal Management). In the event of a breach of legal provisions, the persons involved, but also the company involved and possibly even the entire Wieland Group, are at risk of significant fines, criminal proceedings and other penalties. In addition to a comprehensive training and awareness program, the CMS includes stringent compliance communication and targets as well as a control mechanism that follows the four-stage control loop of the continuous improvement process („PDCA cycle“). Certification in accordance with ISO 37301 is in preparation in order to meet increased customer requirements and to demonstrate the functionality of the CMS. The Internal Audit (IA) department regularly monitors risk management and adherence to external and internal compliance regulations as well as the implementation of the internal control system through systematic audits. As a process-independent body, it contributes to the regularity and improvement of business processes and the effectiveness of the installed systems and controls. In addition, the auditor audits the early risk detection system for compliance with legal requirements. The audit results of the auditor and IA are reported to the Management Board and Supervisory Board (Audit Committee).

**wieland**

Wieland Group | Graf-Arco-Straße 36 | 89079 Ulm | Germany  
info@wieland.com | wieland.com

version 1.4 | status 09/2023 | LI.DPC.UJ/KL (MC.ED.UJ)

