

**MIRKA**

 **KWH LOGISTICS**

 **KWH FREEZE**

**PREVEX**

# Information regarding the Ethics Line

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# Information regarding the Ethics Line

KWH Group of companies consists of its four divisions Mirka specialized in abrasives, KWH Logistics that offers logistic services, KWH Freeze offering frozen storage and KWH Invest consisting of strategic holdings and Prevex that manufactures water traps. KWH Group has set up a group wide reporting channel called Ethics Line for reporting breaches of the Code of Conduct and other misconduct. Information about how to speak up and the Ethics Line is provided below.

We at KWH are committed to responsible business practices and will act with integrity in accordance with our Code of Conduct, other KWH instructions, policies and company standards and applicable laws and regulations. You will find the Code of Conduct and other instructions and policies on the intranet. The Code of Conduct and Business Partner Code of Conduct are also available on our web pages. During your work, you may be confronted with ethical concerns or dilemmas. If you observe something that worries you, or that seems to violate our Code of Conduct, Instructions, policies or applicable laws, we encourage you to speak up to help us address the situation proactively.

We understand that it takes courage to speak up, so therefore we are committed to providing you with an easy and safe way to raise your concerns. The Ethics Line is an essential part that enables us to protect our people, our company values, our stakeholders and society as a whole. No one should be alone when dealing with an ethical dilemma. In this document "Information regarding the Ethics Line" we clearly explain what your options are and how you can raise your concerns.

## Scope

This document describes how you can speak up about suspected breaches of the Code of Conduct and other misconduct. Furthermore, it describes the process, so that you know what to expect, and the ways you will be protected when speaking up (confidentiality, anonymity, non-retaliation). This document applies to all employees as well as to other key stakeholders and business partners (suppliers, customers etc).

## When do I speak up?

As soon as possible, or as soon as you suspect that there has been a violation of the Code of Conduct or company values. We do not expect you to have all the answers and encourage you to use what is described in this document as a reference point to determine if something is not right.

All reports are taken very seriously and will be followed up appropriately.



Employees cannot exempt themselves from the consequences of wrongdoing by self-reporting, although self-reporting may be considered in determining the appropriate course of action.

## What should I speak up about?

We encourage you to speak up about suspected serious breaches of the Code of Conduct, or, when in doubt, about anything that does not constitute ethical, compliant or lawful behavior.

If you are unsure whether your matter can be reported, report it anyway, you will be notified via the system if the matter is out of scope. Here is some guidance what KWH considers to be serious non-compliance:

- bribery and corruption
- irregularities concerning bookkeeping and financial reporting, internal accounting controls, auditing matters
- misuse or embezzlement of company property or funds
- violation of competition laws and antitrust laws
- violation of environmental laws
- breach of trade sanctions or export control
- severe forms of discrimination and harassment
- use of child or forced labor or other human rights violations.

The information you supply about yourself, your colleagues, or any aspect of the company's operations may result in decisions that affect others. Therefore, we ask that you only provide information that, to the best of your knowledge, is correct and factual.

The Ethics Line is a dedicated whistleblowing channel and is not intended for issues related to complaints about products or services. If business partners want to discuss or report an issue related to our products or services, or have any other enquiry, they should contact their local sales representatives.

## The Ethics Line is not an emergency service

The Ethics Line is NOT a 911 or emergency service. Do not use the Ethics Line to report events presenting an immediate threat to life or property. Reports submitted through the Ethics Line may not receive an immediate response. If you require emergency assistance, please follow your local procedures.

## How do I speak up?

You can speak up, provide feedback or ask your questions in a variety of ways. For many matters, it can be a good first step to talk to the person involved directly. Thus, Ethics Line should not replace the direct dialogue that forms the foundation of our transparent company



culture. However, we recognize that this is not always easy to do. If this is not possible, or if you do not feel comfortable doing so, please turn to the speak up routes as described below:

1. Speak up to your manager, your manager's manager or other members of the company or division management. If this is not possible, or you do not feel comfortable doing so,
2. Speak up to another appropriate person, at your company, division or KWH Group level, within the Internal Control, HR, Legal, Compliance or Sustainability functions.
3. If the above ways to speak up do not feel comfortable, you can report your concerns via KWH Group's confidential reporting system, the **Ethics Line** (links and additional instructions are available at <https://www.kwhgroup.com/en/kwh-group/whistleblowing>). The Ethics Line is a confidential communication channel hosted by a third party, which allows employees and external stakeholders to report alleged misconduct confidentially and anonymously, if allowed by local laws and regulations.

To speak up you do not need to have all the information, and you are certainly not expected to prove that your concern is well-founded. If you suspect that a serious irregularity is taking place, it is better to report it than not, but you should be able to give some grounds for your suspicions, mere rumours or hearsay alone are not sufficient grounds for speaking up.

When raising a concern via Ethics Line, please include as many factual details as possible, such as the background or nature of the concern, when and where it happened, any supporting evidence, and the persons involved, including witnesses. Concerns that are vague and lacking factual details are difficult or even impossible to investigate.

Questions about reporting and about where to report can always be sent to the Compliance Team at KWH Group (e-mail: [kwhethics@kwhgroup.com](mailto:kwhethics@kwhgroup.com)).

**The Ethics Line system** is operated by an independent service provider, People Intouch B.V. incorporated in the Netherlands, and is available 24/7. The service provider organization is ISO27001 certified and follows the guidelines of ISO27002 and ISO27701. Via the Ethics Line system you can speak up or ask questions directly to the Compliance Team at KWH Group (herein below "Compliance Team"). The Compliance Team consists of specialists from KWH Group legal and internal control departments. Ethics Line includes a machine translation function so you can speak up in your own language. You can file a report online through the web or the Ethics Line mobile app. The Compliance Team will handle your report internally, but it may also involve other qualified persons from the relevant KWH companies or involve external specialized investigators to investigate the report. You can decide to remain anonymous, but we encourage you to report in your own name.

KWH companies within the EU and EES, which have 50 or more employees, have also set up local internal whistleblowing reporting channels according to the EU whistleblowing directive and thereto related national laws. If the matter of concern is covered by the said directive and laws, you may use these internal whistleblowing reporting channels. More info about such EU whistleblowing can be found at the respective company's intranet and/or web pages.



## I spoke up. Now what?

If you submit a report, the Compliance Team will send you an acknowledgement of receipt within seven days. Your report will be evaluated and assessed, and the appropriate course of action will be determined. Sometimes you will be asked follow-up questions. You will receive feedback as soon as possible (ultimately within three months) after the acknowledgement of receipt. You will be informed of the status of the complaint. Please note that we may not always be able to give you details of the outcome of the investigation for reasons of confidentiality, privacy and the legal rights of the parties involved. All parties involved, including the implicated person, are entitled to confidentiality. Therefore, if you participate in or learn about an investigation, you must keep the matter confidential.

Please note that not all issues raised will automatically lead to a formal investigation. Sometimes following another course of action is better for all parties involved (e.g. mediation). Furthermore, sometimes there is insufficient information for an adequate investigation to take place, e.g. if the report was sent anonymously and there is no possibility of obtaining further information.

Sometimes the alleged misconduct does not correspond to what can be reported in the Ethics Line (see section “What should I speak up about”). Furthermore, some countries restrict reports such that only employees in key or management functions may be the subject of a report. If this is the case, you will receive information on alternative routes for reporting your concern.

## Protecting you, speaking up

Protecting your right to speak up is essential. Protecting you as a reporter is one of the main purposes of this policy. Below, some key principles are highlighted:

### Confidentiality

All questions or issues raised are treated confidentially. Information will only be shared with a limited number of people on a strict need-to-know basis. People who add expertise could be included in the investigation and have access to relevant data. Depending on the purpose of sharing, the Compliance Team will (further) anonymize the information prior to sharing it. Information will only be shared outside of this group if we are required to do so by law or an important public interest is at stake or the information needs to be disclosed to the police and/or other enforcement or regulatory authorities.

If we, under applicable laws or otherwise, would be obliged to inform any person that he or she is the subject of a report being investigated, your identity will not be disclosed if this can be avoided under applicable laws.



## **Anonymous**

When reporting an issue in the Ethics Line, we strongly encourage you to identify yourself and to provide as many details as possible regarding your concern. Providing this information better helps your concerns be investigated and resolutions achieved quicker. However, you can share information anonymously by using the Ethics Line. The Ethics Line makes safe dialogue possible in an anonymous way. However, if you report anonymously you must remember to log into Ethics Line to check if you have received any response from the Compliance Team. There is no other way for the Compliance Team to have a dialogue with you.

## **Safeguarding your Privacy**

KWH is committed to protecting the privacy of everyone involved in the Ethics Line process. Please avoid including personal data in your report unless necessary. We will do everything within reason to safeguard personal data from unauthorized access and processing. Any personal data obtained will be processed in line with our KWH Privacy Policy for Whistleblowing (available on our website and on intranets) and will only be used for the purposes explained in the said policy and in this policy or to comply with the law or an important public interest.

## **Non-retaliation**

We encourage speaking up and any person that speaks up is protected. The right of non-retaliation is guaranteed under the Code of Conduct and violation of this right will not be tolerated. Any form of threat or retaliation aimed at those speaking up may lead to disciplinary measures. If you notice or experience any retaliation, you can report this via one of our speak up routes described above, including Ethics Line.

## **Protecting the implicated person**

A person who is subject to a concern needs our utmost protection. The presumption of innocence is a leading principle. The Compliance Team is responsible for protecting the rights of the implicated person - or otherwise involved – in any issue.

## **Confidentiality**

All questions or issues raised are treated confidentially. Information will only be shared with a limited number of people on a strict need-to-know basis.

## **Information Rights**

When a person is officially under investigation, they may have a right to be notified about this fact, unless there is a substantial risk of destruction of evidence and/or an impediment to the investigation.



## Right to comment on the report

After the initial facts are determined, the accused receives an opportunity to comment on the report and the findings.

## The Ethics Line: a Dialogue

The Ethics Line system allows for anonymous dialogue with the reporter. If you have reported anonymously, please remember to log in to Ethics Line to check if you have received any response from the Compliance Team. The Compliance Team has the right not to proceed with a case due to limited information.

## Disciplinary actions

Disciplinary/corrective actions are to be decided by an appropriate manager in consultation with a relevant HR representative. All disciplinary/corrective actions, including a follow-up of implementation, must be documented by the line organization.

## The Compliance Team

The Compliance Team consists of specialists from KWH Group legal and internal control departments.

The Compliance Team is responsible for the handling of questions regarding speaking up and Ethics Line reports. All reports coming in through the Ethics Line will be made available to the Compliance Team. The Compliance Team registers, monitors and is responsible for solid, confidential and precise fact-finding.

Internal Investigations should be carried out swiftly and to establish facts with minimum disruption to the business or the personal lives of employees; and to make sure that confidentiality and non-retaliation always are respected.

The Compliance Team reports to the KWH Group CEO and has a direct escalation line towards the Chairman of the Board. All members of the Compliance Team are protected against non-retaliation themselves.

## Misuse of reporting

We take the practice of reporting in bad faith or any other form of misuse of reporting very seriously. Therefore, any allegations reported that prove to be deliberately false or an abusive use of the reporting system is considered to be a serious breach of the Code of Conduct and disciplinary actions will be taken.





## Not satisfied with the reporting process

If you believe your concern has not been handled in accordance with the principles of this document, if you are not satisfied with the follow-up and/or the outcome of your report, or if you do not feel protected, please report this directly to the Compliance Team or through the Ethics Line

## Contact details & Useful Links

The Compliance Team is the main point of contact for any questions. On the intranet you will find more contact details and useful links.

