



## **Guideline on Reporting of Infringements Against Compliance**

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### **1. Goal**

All employees of the TOM TAILOR corporate group are obliged to observe all legal provisions as well as internal corporate regulations which are legally effective, whether domestically or abroad. The employees of the TOM TAILOR corporate group are urged to inform themselves about the legality of their actions and to make use of the employer's training and information offers.

If nonetheless a suspicion arises that an employee has violated legal or internal regulations, this incident shall be investigated. Each proven case of misconduct with regard to legal stipulations as well as with regard to the integrity of any company in the TOM TAILOR corporate group shall be pursued thoroughly and penalized appropriately.

The investigation of a case of suspicion is a sensitive matter. In order to achieve maximum fairness and transparency in the investigation of individual cases, any investigation of reported infringements shall follow the principles described here.

Therefore, the purpose of this guideline is to ensure that there should be reporting of any misconduct of employees and that contractual parties which are or have been connected with the TOM TAILOR corporate group shall have the possibility of submitting reports. Moreover, this guideline shall ensure that reports received shall be processed and investigated in a uniform and transparent manner.

### **2. Area of application**

This guideline applies to all employees of the TOM TAILOR corporate group.

### **3. Definition of terms**

Suspicion: A case of suspicion exists if there are sufficient, actual grounds, which can be documented, that an employee of the TOM TAILOR corporate group has infringed existing legal provisions or internal corporate regulations. It is irrelevant whether the infringement was committed to benefit the employee or in the expectation that a company of the TOM TAILOR corporate group would obtain an advantage. It is also unimportant initially whether the misconduct was deliberate or a matter of negligence.



Infringement: an employee of the TOM TAILOR corporate group has violated existing legal provisions or internal company regulations. It is irrelevant whether the infringement was committed to benefit the employee or in the expectation that a company of the TOM TAILOR corporate group would obtain an advantage. It is also unimportant initially whether the misconduct was deliberate or a matter of negligence.

Whistleblower: the person who has made a report on a suspicious case, independently of whether the report was made to a superior, the Compliance Officer or through the whistleblowing system.

Person subject to the allegation: Any person who, according to the information provided by the whistleblower, has committed an infringement.

Ombudsman: The ombudsman is an external lawyer who takes receipt of reports of suspicious cases with regard to the TOM TAILOR corporate group. Although the ombudsman is engaged by the TOM TAILOR corporate group, he or she shall not be obliged to reveal to the TOM TAILOR GROUP the identity of any whistleblower. In order to ensure the neutrality of the ombudsman, there is a prohibition of any contractual relationship between any company of the TOM TAILOR corporate group and the ombudsman with regard to other legal areas.

Initial suspicion: Cause for suspicion is assumed when there are sufficient actual indications of an infringement which can be documented.

Internal corporate stipulations: Internal corporate stipulations consist of internal provisions and regulations such as guidelines (e.g., travel cost guidelines) and the Code of Conduct. "Work instructions – branch" are exempted from the internal corporate stipulations, with the exception of the Guideline for Group Communications.

Staff member: Any person working for the TOM TAILOR corporate group who is engaged under a labor contract or a contract for work and services (referred to hereafter as employee).

Employer: Any company that comes under the TOM TAILOR corporate group and employs staff.

Investigator: The person or persons in the meaning of 10.5 a-e assigned the task of investigating the matter reported.

Investigation Manager: is the person responsible for clarifying the matter in hand.

#### **4. Information on cases of suspicion prior to the submission of a report**

If a potential whistle-blower is uncertain whether an infringement has occurred, they have the possibility of consulting the Compliance department or the



ombudsman to obtain more precise information or to receive support in judging the matter in hand.

## 5. Reporting of cases of suspicion

It is extremely important for the TOM TAILOR corporate group for reports to be submitted early on since this enables the company concerned to detect potential damage early and to avert it or, at least, to alleviate any damage. Moreover, the pursuit of misconduct is in the interests of all staff that behave correctly. Therefore, all management staff are obliged to prevent infringements of duties by the staff under them. All staff members of the TOM TAILOR corporate group are urged to report any infringements they observe of laws or internal corporate stipulations. This shall be without prejudice to the right of a staff member to involve the works council. There are various possibilities for reporting misconduct:

### 5.1. Internal reporting

- a) Any staff member shall be free to report a case of suspicion to their superior in the company in which they are employed. If the staff member suspects that their superior is involved in the infringement or already knows of it but is not prepared to put an end to it, the staff member can also report to the superior of their superior. This officer shall be obliged to take receipt of such a report and to address the matter.
- b) Additionally, the staff member may also make such a report to the Executive Board of the TOM TAILOR corporate group. This may be done by telephone, email, letter or personally. Reports by email should be addressed to the compliance-inbox or directly to the Executive Board of the TOM TAILOR corporate group:

E-Mail: [compliance@tom-tailor.com](mailto:compliance@tom-tailor.com)  
[gernot.lenz@tom-tailor.com](mailto:gernot.lenz@tom-tailor.com)  
[christian.werner@tom-tailor.com](mailto:christian.werner@tom-tailor.com)

- c) If a report is made by word of mouth, the recipient shall summarize it in writing and present the summary to the whistleblower for checking and signing. The whistleblower shall receive a copy of the report.

### 5.2. Reports through the whistleblowing system

- a) The whistleblowing system enables the whistleblower to report infringements of laws or internal provisions by telephone, email, letter or, in particular cases, after agreement, personally. The report is made to a so-called ombudsman.



b) The ombudsman is

Dr. Carsten Thiel von Herff, LL.M.  
Loebellstraße 4  
33602 Bielefeld  
Email: [ombudsmann@thielvonherff.de](mailto:ombudsmann@thielvonherff.de)  
Tel.: +49 521 557 333 0  
Cellphone: 0151/58230321  
Telefax.: + 49 521 557 333 44

In the case of absence or unavailability due to sickness or vacation, the activity of the ombudsman shall be assumed by a deputy who can be reached at the same addresses.

The contact details are also available in the intranet and are also displayed on the noticeboard.

## **6. Confidentiality and reports under pseudonymized name**

6.1 Each report of misconduct, wherever submitted, shall be treated confidentially by all those involved in taking receipt of the report and in dealing with the matter in hand and its legal evaluation.

This means that the identity of the whistleblower shall only be revealed if the whistleblower gives their consent and, in this case, only to persons who need this information in order to investigate the matter or to prevent substantially material damage or loss. In cases in which the identity of the whistleblower is revealed with their consent, the whistleblower may, nevertheless, decide on whether his or her identity shall also be revealed to the person subject to the allegation. Moreover, the confidentiality of the investigative measures also protects the identity of the person subject to the allegations so that this person is not exposed to any stigma which may be undeserved.

6.2. The persons entrusted with processing the report shall ensure that the information on the report is preserved in both digital form and on paper in such a manner that it is only accessible to persons who have a need to know of its content.

6.3. A whistleblower has the option of making a report to the ombudsman in confidence. In this case, the ombudsman records the information under a pseudonym.

- 6.4. A report under a pseudonym means that the whistleblower communicates their name and contact details but that the ombudsman does not pass these on to the employer or the employer's staff. The ombudsman must record a contact address so that he or she can consult the whistleblower in order to check particulars or enquire further; this ensures that the employer and employer staff are unable to make contact with the whistleblower directly.
- 6.5. Under no circumstances shall the ombudsman pass on the name and contact address of the whistleblower to the employer or employer's staff.
- 6.6. Any enquiries by the employer or the employer's staff about the reported matter shall be submitted to the ombudsman who, in turn, shall pass them on to the whistleblower. The answers shall then be conveyed to the employer or the staff of the employer.
- 6.7. The possibility of an internal report as, too, of a report through the whistleblowing system may be used not only by (former) employees but also by external persons where such third parties have, or have had, a business connection with a company in the TOM TAILOR corporate group.

## **7. Protection of the whistleblower**

- 7.1. The employer shall not in any way disadvantage the whistleblower who has made a report on a (supposed) case of suspicion. The only exceptions are those listed under 9.10.
- 7.2. Disadvantage in the meaning of the above subsection 1 covers measures such as, for example, those listed below:
  - a) Pronouncement of dismissal, except where the whistleblower hands in notice themselves
  - b) Failing to prolong a temporary labor contract as had been originally planned
  - c) Terminating a temporary labor relationship which had not previously been intended for discontinuation
  - d) Taking disciplinary measures
  - e) Instructing the whistleblower to perform a different activity
  - f) Forbidding the whistleblower to make contact
  - g) The extension or restriction of the tasks of the whistleblower, unless this occurs at the request of the whistleblower and in agreement with the employer
  - h) Transfer to a different work location, unless this occurs at the instigation of the whistleblower



- i) Transfer to a different workstation in the same building
  - j) The refusal to transfer the employee to another place of work within the building when they desire this
  - k) The refusal to make a wage increase or to disburse bonuses to the whistleblower, although they are entitled to these or the imposition of other financial disadvantages
  - l) Passing the whistleblower over for promotion or reducing promotion opportunities
  - m) The refusal to accept sick leave.
- 7.3. Disadvantage also occurs if the whistleblower is criticized for their performance although there are no objective grounds for this criticism. Moreover, disadvantage may also be presumed if the whistleblower must accept a measure under labor law which is disproportionate to the matter (which is independent of the report) in question.
- 7.4. If, within a period of six months of the report, the employer takes measures such as those listed under sections 7.2 and 7.3, because the whistleblower has given cause for this independently of the report, the employer shall keep a note of why they consider this measure to be necessary and why there is no connection with the report submitted by the whistleblower.
- 7.5. The employer shall furthermore ensure that the superior(s) and colleagues of the whistleblower do not disadvantage the latter in any way. Such disadvantage includes at least the following:
- a) Bullying, excluding or ignoring the whistleblower
  - b) The raising of extraordinary or disproportionate accusations with regard to the performance of the whistleblower
  - c) The prohibition of the whistleblower to make contact with colleagues, to speak or to go to their workstation.
  - d) Intimidation of the whistleblower by threatening certain measures if they continue to pursue their allegation.
- 7.6. The employer shall speak about their conduct with any staff members who commit actions pursuant to section 7.5 a-d directed against the whistleblower; moreover, the employer has the possibility to take measures under labor law.

## **8. Protection of further persons**

- 8.1. The employer shall not in any way disadvantage persons who the whistleblower has addressed in connection with the submission of the report and who have passed on information (such as the superior).
- 8.2. Moreover, the employer shall not disadvantage any persons who participated in the investigation of the matter reported. This applies both to the investigators looking into the incident and staff or other persons who were heard as witnesses of the concrete case or supplied the investigators with documents.

## **9. Principles for the investigation of allegations**

- 9.1. A report with regard to an infringement shall be passed on to the Executive Board of the TOM TAILOR corporate group if the report was not made directly there in the first place. This also applies to the case that the report has been received by the ombudsman.
- 9.2. If the report supports the initial suspicion and if the identity of the whistleblower is sufficiently protected in the investigation, every report shall, in principle, be looked at more closely. There are exceptions to this regulation pursuant to 10.3 of this guideline.
- 9.3. The allegation may be investigated by the Legal department, the internal auditors, a compliance committee or the Human Resources department. In serious cases, there is a possibility of having the allegation looked into by external investigators. However, such a procedure shall be subject to the approval of the Executive Board of the TOM TAILOR corporate group or, if there is a suspicion that the Executive Board might be the object or part of the investigation, the Supervisory Board.
- 9.4. In each case of investigating an allegation, the appropriateness of the means shall be upheld. The interests of the enterprise shall also be upheld as, too, the interests of the person subject to the allegations and the whistleblower.
- 9.5. If it is possible that similar incidents have occurred in other departments and the company or companies concerned may have consequently been damaged, the investigation shall be expanded to cover these possible incidents.
- 9.6. With regard to measures to be taken in the framework of the investigation, consideration must be given to how serious and extensive the consequences of the infringement may be and whether there is danger in delay.



- 9.7. Exonerating evidence shall be taken into consideration at all times. Weight shall be given to the quality, robustness and admissibility in law of evidence obtained: such evidence shall be secured.
- 9.8. The investigation shall be restricted to the matter under investigation: there must not be any expansion of scope to other matters of misconduct of the person subject to the allegations.
- 9.9. For the duration of the investigation there is an assumption of innocence.
- 9.10. Any deliberate false report by the whistleblower is a violation of duties and can be punished by extraordinary notice of dismissal. Any false report arising from gross negligence is also a violation of duties and can be punished by a range of penalties (from a rebuke through to termination of employment), whereby consideration must be given to the individual circumstances. There is no penalty for a false report arising from slight negligence. If prior to submission of the allegation of the matter the ombudsman was contacted and he or she advised that the allegation be submitted, there is no question of the whistleblower having made a false report from gross negligence.
- 9.11. The investigation is in turn subject to all statutory provisions and, particularly, but not exclusively, the regulations pertaining to data protection law.

## **10. Concrete course of the investigation**

- 10.1. After the whistleblower has submitted the report, they shall receive written confirmation (if appropriate, by the ombudsman) with the date of receipt of the report by the Executive Board of the TOM TAILOR corporate group.
- 10.2. When an initial suspicion presents itself, there shall, generally, be an investigation of the matter. In order to judge whether an initial suspicion exists, enquiries can be made or initial facts gathered. At this stage there shall not be any independent investigation. If the whistleblower turns to the ombudsman, the latter shall decide on their own whether an initial suspicion exists. If the ombudsman rules that there is no initial suspicion, the Executive Board of the TOM TAILOR corporate group shall only receive abstract information on the matter reported. If there are doubts about the judgement of whether there is an initial suspicion, the ombudsman is at liberty to consult the Executive Board.
- 10.3. There is no investigation into the matter if there is no initial suspicion or if the report is unrelated to the work of the person subject to the allegation. Any misconduct by the person subject to an allegation outside their work sphere shall not be investigated or penalized by the employer.



Furthermore, a concrete investigation of the matter reported may be waived if the evidence or the information were obtained in a manner that runs counter to the principles of due process and the rule of law (e.g. coercion or threat).

- 10.4. If the investigation is waived for the reasons detailed under section 10.3 the whistleblower shall be notified accordingly.
- 10.5. If an investigation goes ahead, the matter shall be presented to the Executive Board of the TOM TAILOR corporate group with the request to have the matter investigated by one of the following:
  - a) the Legal department
  - b) the Internal Audit department
  - c) the Human Resources department (in the case of low-level misdemeanors, financial loss of up to EUR 1,000.00 or infringements against provisions for the protection of staff, governed in the Code of Conduct, e.g. discrimination)
  - d) a Compliance Committee to be created in a specific case, consisting of the Compliance Officer, a representative of the Human Resources department and members of the line department whose specialist knowledge is required in the concrete case (for complex matters which require specialist knowledge).
  - e) external investigators (in the case of serious infringements, which require for their investigation expertise and/or resources which are not available in-house)
- 10.6. The Executive Board of the TOM TAILOR corporate group shall appoint one of the instances named under 10.5 a-e in investigating the matter. Furthermore, an Investigation Manager shall be appointed to coordinate the internal and possibly external investigations and report to the Group Executive Board. The Investigation Manager shall bear responsibility for the investigations and have authority to give instructions with regard to the involvement of specialist personnel and the Data Protection Officer.
- 10.7. The investigators must be independent and neutral persons who do not come under suspicion themselves of being connected with the report which has been made.
- 10.8. The Group Executive Board shall, moreover, decide whether external institutions are to be informed of the matter and whether the Supervisory Board is to be informed.
- 10.9. The whistleblower shall be informed that an investigation has begun and of who is conducting it, unless this way of proceeding could imperil the investigation. Moreover, the Managing director(s) of the company concerned shall be informed of the case of suspicion.



- 10.10. The person subject to the allegation shall be informed of the report and the planned investigation into the matter unless such notification could imperil the investigation to be performed and/or its outcome.
- 10.11. Under the investigation, and in any case prior to any penalties being imposed for misconduct, the person subject to the allegations must be allowed to express their opinion on the accusations made. The person subject to the allegations shall be at liberty to have themselves supported by a member of the works council and/or to take advice from an attorney. Any costs of advice by an attorney shall be borne by the person subject to the allegations. Minutes shall be kept of the hearing which are to be presented to and signed by the person subject to the allegation.
- 10.12. In the framework of the investigation third parties, too, may be heard. Written minutes shall be made of the hearing, which shall be presented to the person who has been heard for verification and signing.
- 10.13. In the framework of the investigation the investigator(s) may peruse all documents they consider necessary to look into the matter in hand.
- 10.14. If in the framework of the investigation it emerges that serious commercial or reputational damage threatens for one or several of the companies in the TOM TAILOR corporate group or danger to body or life exists, suitable measures shall be taken without delay to avert or minimize this impending loss.
- 10.15. During the investigation, the legal aspects of the case shall also be examined. This might be done, if appropriate, with the aid of external attorneys or by involving the legal department.
- 10.16. After the matter has been investigated successfully, the Investigation Manager shall draw up a concluding report which shall be made available to the Group Executive Board and the Managing director(s) of the company affected. The whistleblower shall be informed of the termination of the investigation and its finding.
- 10.17. If it is ascertained that misconduct has occurred, this shall be subject to an appropriate penalty. In determining the measure of the penalty, consideration shall be given to the concrete circumstances of the individual case and the relevant provisions of labor law. The possible penalties range from a rebuke to termination of employment without notice. If a staff member reports their own misconduct, this aspect must be appropriately taken into consideration in their favor in the imposition of a penalty. The employer has fundamentally the possibility of imposing compensation claims against the person subject to the allegation if such claims arise from the particular case.
- 10.18. If the investigation concludes that the matter reported on cannot be proven, or if it emerges that the matter reported did not correspond to the facts, then



there must not be any mention either in the personnel file of the person subject to the allegations or that of the whistleblower that there had been a report and/or the investigation. An exception to the rule may be made pursuant to 9.10.

10.19. If a suspicion arises that the Executive Board of the TOM TAILOR corporate group could have committed an infringement, then in sections 10.5, 10.6., 10.8 and 10.16 the Chair of the Supervisory Board shall be meant instead of the Group Executive Board.

## **11. Duties to cooperate with the investigation**

11.1. The Investigation Manager shall work with internal and, where necessary, external bodies in a spirit of trust. Information may only be passed on in the framework of such collaboration if such divulgence is essential for the success of the investigation.

11.2. Each member of staff of the TOM TAILOR corporate group is urged to show themselves to be cooperative in the investigation and themselves to make the necessary contributions to the success of the investigation. Spelt out, this means that information on business events is to be provided and business documents handed over on demand.

## **12. Influencing of the investigation**

Anyone who destroys, conceals or otherwise makes inaccessible relevant evidence, for example, business documents, or keeps back evidence, or tries to influence witnesses or investigators in the investigative process, or otherwise hinders or attempts to hinder the investigation into the matter, commits a serious breach of duty which in turn shall be subject to a penalty.

## **13. Documentation of the cases of suspicion**

Every case of suspicion that is reported shall be documented, whereby in particular the accusation, the essential measures of investigation as too the finding of the investigation and subsequent measures shall be recorded. The documentation must be drawn up promptly and completely by the Investigation Officer. A copy shall be made available to the Executive Board of the TOM TAILOR corporate group. The provisions of data protection law shall be observed in preserving the documented cases of suspicion.

**14. Exceptions**

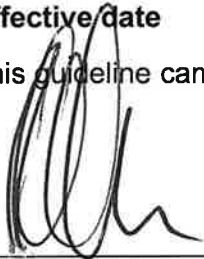
There are no exceptions to the above regulations.

**15. Consequences of acting contrary to this guideline**

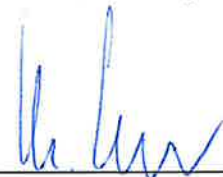
Any action contrary to this guideline represents a breach of duty which shall be penalized correspondingly. In determining the measure of the penalty, consideration shall be given to the concrete circumstances of the individual case and the relevant provisions of labor law. The possible penalties range from a rebuke to termination of employment without notice.

**16. Effective date**

This guideline came into force on 01.05.2018 and was updated on 21.01.2022.



Gernot Lenz



Christian Werner