

**RULES OF PROCEDURE FOR THE COMPLAINTS PROCEDURE
PURSUANT TO SECTION 8 OF THE ACT ON CORPORATE DUE DILI-
GENCE OBLIGATIONS IN SUPPLY CHAINS (LKSG)**

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AS WELL AS INFORMATION ON THE WHISTLEBLOWER SYSTEM IN ACCORDANCE WITH
THE WHISTLEBLOWER PROTECTION ACT (HINSCHG) AT HANDTMANN GROUP OF
COMPANIES

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1 Foreword

The Whistleblower Protection Act (HinSchG) came into force on July 2, 2023. It obliges companies with more than 50 employees to set up an internal whistleblower system. The aim of the law is to better protect people who have received information about breaches in connection with their professional activities and have passed this information on to reporting bodies.

The Handtmann Group of Companies has implemented the Whistleblower Protection Act and will fulfill all legal requirements arising from the Whistleblower Protection Act.

Different internal reporting points have been set up so that everyone has the opportunity to report different violations. As a matter of principle, whistleblowers are treated fairly and respectfully, so that the confidentiality requirement under sections 8 and 9 of the HinSchG is guaranteed.

The complaints procedure also applies with regard to the Act on Corporate Due Diligence Obligations in Supply Chains (short: Supply Chain Act (LkSG)). The LkSG came into force on 01.01.2023 and obliges companies to set up complaints procedures through which internal and external persons can report environmental and human rights risks within their group of companies and the entire supply chain.

If, despite the precautions taken, there is a suspicion of a violation, these rules of procedure will help and answer the most important questions relating to the reporting of breaches.

1.1 Who can report complaints?

The Handtmann Group of Companies enables all internal and external persons to submit information without fear of reprisals and in compliance with the confidentiality requirement (§ 8, 9 of the HinSchG). This includes, for example, all employees of the Handtmann Group of Companies, all temporary workers and also business partners such as suppliers or customers.

If necessary, the Handtmann Group of Companies will enlist the help of an interpreter if the information are not received in German in order to ensure processing and communication with the reporting person

1.2 Why should I report an information?

Adherence to compliance guidelines is highly relevant for the Handtmann Group of Companies, as they are an indispensable part of day-to-day business and legally compliant behavior is a prerequisite for business success and positive development.

For this reason, the internal whistleblower system was developed at the Handtmann Group of Companies to enable employees or external partners to report potential compliance violations in order to make a valuable contribution to the company.

Reported information can be used to identify preventive and corrective measures at an early stage.

1.3 What can be reported?

The material scope of application (Section 2 HinSchG) describes violations that the whistleblower can report and is therefore also protected by law. This includes the following categories, among others:

- money laundering and terrorist financing
- product safety and product conformity requirements
- occupational health and safety regulations
- the Minimum Wage Act
- environmental and radiation protection
- data protection and information technology security
- antitrust law

It should also be possible to report all human rights and environmental risks in accordance with Section 2 (2) and (3) LkSG which covers:

- Child labor
- Forced labor and all forms of slavery
- Equality in employment
- Land rights
- Occupational safety and work-related health hazards
- Fair wages
- Freedom of association and the right to collective bargaining
- Destruction of vital natural resources through environmental pollution
- Torture

Furthermore, employees have the opportunity to report violations of the Handtmann Group of Companies' Code of Conduct, laws or compliance guidelines such as the competition and anti-corruption guideline.

1.4 How can reports be submitted?

Messages can be forwarded via the following channels:

By telephone:

- +49 7351 342 2100

By e-mail:

- compliance@handtmann.de

In writing:

- Handtmann Service GmbH & Co. KG
Confidential to the attention of the Compliance Department
Arthur-Handtmann-Str. 23
88400 Biberach an der Riß

Personal

- You are also welcome to indicate that you would like to have a personal meeting. This will then be arranged within a reasonable period of time via the compliance contact person.

External reporting channels:

- [Federal Reporting Office at the Federal Office of Justice](#)
- [Reporting office of the European Union \(EU\)](#)

1.5 Who bears the costs of the complaints procedure?

The person reporting the information only bears their own costs, such as their own telephone charges or postage.

The person reporting the information shall bear no further costs for providing information.

1.6 Who deals with reports?

The incoming information is received and processed by the person responsible at the internal reporting office.

The person is an internal person employed by the Handtmann Group of Companies who acts independently and free of conflicts of interest. The person has received sufficient training and is familiar with the case handling process. When a report is made, care is always taken to ensure confidentiality in order to protect the reporting person

1.7 What should a complaint contain?

In order to ensure the best possible processing of the report, the underlying facts should be described as precisely as possible.

For example, the message could be based on the following points:

- What happened?
- When did the incident happen?
- Where did it happen?
- Which other persons / companies are involved in this incident?
- How can the incident be proven?
- Your contact information (name, address, telephone number, e-mail address)

The possibility of anonymous use of the complaints procedure is not prescribed by law. However, it is possible to submit anonymous reports. Anonymous reporting is not recommended. In particular because it can be difficult to contact the whistleblower for further questions and to obtain further information and details that may be important for the investigation of the reported incident. It is also recommended to maintain contact with whistleblowers even after the procedure has been completed in order to check the long-term success of the measures taken and to prevent any adverse effects on the whistleblower. The confidentiality of the procedure has the highest priority and serves primarily to protect the reporting person.

1.8 What does the complaints procedure look like?

1. Depending on the reporting channel, the complaint is received by the responsible person in the company or by the external ombudsperson and is documented.
2. The person who receives the reports then checks the factual and topical classification as well as the factual scope of application in accordance with Section 2 HinSchG and Section 2 (2) and (3) LkSG for the validity of the report. The report can then be forwarded to the relevant responsible person.
3. Upon receipt of a report, the person making the report will receive a confirmation of receipt and information on the planned processing time after 7 days at the latest.
4. The case is then investigated further and the facts of the case are clarified. Depending on the information, for example internal investigations may be carried out,. In order to process the information efficiently, the best possible efforts are made to maintain contact with the reporting person.
5. The whistleblower will receive feedback on planned and already completed measures and redress/remedy within three months of confirmation of receipt, taking into account that the person's investigations and rights are not impaired. If the redress is accepted and approved, this will be implemented in consultation with the person concerned.
6. This is followed by a check to ensure that the person concerned has no further concerns or complaints. The process and handling of the complaint is then evaluated and the procedure is concluded. The information is documented in compliance with the confidentiality requirement. The information and documentation will be deleted seven years after the end of the procedure.
7. The effectiveness of the complaints procedure must be reviewed at least once a year or on an ad hoc basis. Evaluations and practical experience of the procedure can be used to increase its effectiveness and improve

the procedure as a whole. An effective complaints procedure is characterized by the fact that it is easily accessible to potentially affected persons and helps to prevent damage to whistleblowers or to create appropriate remedial measures in the event of actual breaches of duty. After each complaint received, the process is evaluated and adjusted if necessary. An event-driven review is also carried out if the annual risk assessment gives rise to this. In addition, an annual effectiveness review takes place, in which the effectiveness of the complaints procedure is examined as part of an internal audit. In doing so, we are guided by the key questions on the effectiveness criteria of the UN Guiding Principles, taking into account the specific requirements of the LkSG from the BAFA handout "Complaints procedure under the Supply Chain Due Diligence Act".

- **Receipt of the complaint** | The complaint is received by the responsible person and documented
- **Classification** | Thematic classification of the complaint and assignment to the appropriate person responsible
- **Confirmation of receipt** | Upon receipt of a report, the person making the report receives a confirmation of receipt after 7 days at the latest
- **Clarification of the facts** | For example, with the help of all parties involved through interviews, ...
- **Joint conflict resolution and redress/remedy** | Joint development of a solution and a proposal for redress/remedy
- **Review and termination of the procedure** | Check that the person concerned does not make any further complaints. Evaluation / assessment of the process and conclusion of the procedure
- **Effectiveness check and continuous improvement** | Checking the effectiveness of the process and the possibility of improvement

1.9 How is the protection of the whistleblower ensured?

Reprisals in relation to the report, such as dismissal, downgrading or other disadvantages as a result of a report, are not tolerated at the Handtmann Group of Companies and will be punished accordingly.

Even after the proceedings have been concluded, contact should be maintained with the whistleblower to ensure that they are not subsequently disadvantaged or punished as a result of the report.

The person responsible for receiving reports, further processing and storage carries out all activities in compliance with the confidentiality requirement. In addition, only trained and independent persons deal with the information.

The documentation of the notification is protected against access by unauthorized third parties. Furthermore, the documentation of the report is deleted seven years after the procedure has been completed.

1.10 How is a proper clarification of the facts ensured? (Interviews, e-mail screening, documents, etc.?)

The proper clarification of the facts depends on the type of report.

In principle, the following means can be used to clarify the facts:

- Interviews
- E-mail screening¹
- Inspection of the workplace
- Inspection of documents
- Staying in contact with the whistleblower

The means used to clarify the facts of the case comply with labor, criminal and data protection laws.

1.11 Data protection information

In accordance with the provisions of Chapter 13 of the General Data Protection Regulation (GDPR), the Handtmann Group of Companies hereby provides information on the processing of personal data as part of the internal whistleblower system.

The responsible body for the collection and processing of data is:

Mr. Hermann Hahn,

Compliance Officer of the Handtmann Group of Companies

E-Mail: Compliance@Handtmann.de

Phone: +49 7351 342-2287

Address: Handtmann Service GmbH & Co. KG, Arthur-Handtmann-Str. 23, D-88400 Biberach an der Riß

If you have any questions about the processing of your personal data, you can contact the Handtmann Group's data protection officer.

Data protection officer:

Mr. Klaus Zell

E-Mail: dsb@handtmann.de

Phone: +49 7351 342-2900

Address: Handtmann Service GmbH & Co. KG, Arthur-Handtmann-Str. 23, D-8400 Biberach an der Riß

The purpose of the processing is to receive and process information on violations of the Whistleblower Protection Act (HinSchG) and the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). The legal basis is the fulfillment of legal obligations under the HinSchG and the LkSG in accordance with GDPR Article 6, section 1 lit c.

Data processing includes receiving, checking and, if necessary, forwarding the information to the responsible bodies and communicating with the person providing the information.

The recipients of the data are the Compliance Officer of the Handtmann Group of Companies, the Compliance Department of Handtmann Service GmbH & Co. KG and an externally commissioned ombudsperson.

Personal data will only be stored for as long as is necessary to process the report and will be deleted no later than seven years after the procedure has been completed.

Data subjects have the right to information, rectification, erasure, restriction of processing, objection to processing and data portability. You have the right to lodge a complaint with the competent data protection authority (<https://www.baden-wuerttemberg.datenschutz.de>).

¹ Rather less to be used, or with caution, as there have already been many problems here, as e-mail screening is very sensitive.