

Complaints Procedure



Rules of Procedure

on the establishment and implementation of a complaints procedure pursuant to s 8(2) German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG).

for

AWG Allgemeine Warenvertriebs-GmbH

(hereinafter AWG)

Complaints Procedure



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1. Introduction

AWG is very committed to respecting human and environmental rights.

Establishing an appropriate complaints procedure is a core element of due diligence obligations to effectively prevent and provide remedies for human rights and environmental risks or violations.

We take any concerns seriously that employees in our supply chain or other affected persons may have. With this complaints procedure, we would like to encourage all employees in our company and supply chain to seek an open and constructive dialogue to clarify concerns.

This complaints procedure, that was established together with Creditreform Compliance Services GmbH, describes the available communication channel and defines the process for handling information on human rights and environmental violations. With this procedure, we would like to encourage everyone to actively use the communication channel described below and to openly address any concerns relating to human rights and environmental risks or violations.

By doing so, you enable us to identify and handle risks and violations at an early stage. Active risk management helps to prevent damage to people and the environment. This is essential for a trusting cooperation in the supply chain.

We ensure that anyone who raises a concern about a human rights or environmental risk or violation is protected from personal consequences in the best possible way. We do not tolerate any person raising a concern being discriminated against or put under pressure.

Köngen, January, 1st 2024

AWG Allgemeine Warenvertriebs-GmbH
The Management

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2. Background and purpose

The German Act on Corporate Due Diligence Obligations in Supply Chains (Supply Chain Due Diligence Act – LkSG) came into force on 1 January 2023.

The Supply Chain Act regulates the responsibilities of companies within their own organisation and along their supply chains to identify and, if possible, prevent human rights and environmental risks, or at least to mitigate their impact. To this end, the law imposes a number of due diligence obligations on the companies concerned, including an appropriate complaints procedure.

3. What is the intention of the complaints procedure?

The complaints procedure has two intentions:

- Firstly, the complaints procedure serves as an early warning system to identify and, in the best case, to resolve problems before people or the environment are actually harmed.
- Secondly, complaints procedures provide access to appropriate remedies. This allows companies to be made aware of any imminent or already occurred violations of legally protected rights and to take effective remedial action.

4. Which companies do these Rules of Procedure apply to?

These Rules of Procedure apply to:

- AWG Allgemeine Warenvertriebs-GmbH

5. Who can file a report?

All persons or groups of persons who are potentially or actually affected by human rights or environmental violations within their own business area or AWG's supply chain, or who are aware of such violations can raise a concern via the complaints procedure.

Among those are, for example:

- (former) employees of AWG,
- employees of direct and indirect suppliers and business partners,
- customers
- next of kin of employees,
- trade unions, non-governmental organisations and other organisations that gain knowledge of risks or damage and/or support those affected.

6. Which issues can be reported?

Reports or complaints can be filed in the event of a potential human rights or environmental risk.

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A human rights risk is a situation in which it is likely that prohibited conduct in relation to any of the human rights listed below is imminent or has already occurred:

- child labour,
- forced labour,
- forms of slavery,
- disregard of occupational health and safety standards,
- disregard for freedom of association,
- discrimination of employees; equality of employees,
- withholding appropriate remuneration for work,
- human rights violations due to environmental damage, disregard for land rights,
- violence by private and public security forces.

In addition, reports or complaints can be filed regarding human rights risks relating to potential environmental damage, which is often linked to human rights risks. This concerns:

- harmful soil changes,
- water pollution,
- air pollution,
- harmful noise emissions,
- excessive water consumption,

if this endangers the natural basis of life, for example as access to food, drinking water, sanitary facilities, or health in general is affected (e.g. if the drinking water of the local residents is polluted by chemicals that enter rivers).

In addition, environment-related risks can also be reported in the following cases:

- prohibited use of mercury in manufacturing processes (within the meaning of the Minamata Convention on the Control of Mercury Emissions),
- violation of the ban or restriction of the production and use of so-called persistent organic substances (within the meaning of the Stockholm Convention on Persistent Organic Pollutants),
- violation of the principle of minimising transboundary movements of hazardous waste and environmentally sound disposal close to the place of generation (within the meaning of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal).

7. How can reports be filed?

AWG offers as reporting channel the electronic whistleblower system **CrefoSupply**. The system has a secure mailbox to ensure complete and anonymous communication.

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Any complaints and concerns relating to the above issues can be reported through this system.

The AWG Complaints Office is responsible for handling concerns and answering questions.

The whistleblower system can be reached at:

<https://awg-mode.crefosupply.de/>

You can also reach the whistleblower system by using the following QR code:



8. What information should be included in a complaint?

It is important that the report is as specific as possible in order to be adequately processed and investigated. It is helpful if you ask and answer the four Ws and H:

Who? What? When? How? Where?

WHO: To which (subsidiary) company, which business partner or which supplier does the complaint relate?

WHAT: What happened? Please describe the incident as detailed as possible.

WHEN: When did the incident occur?

HOW: How did you find out about this? How did the incident occur?

WHERE: Where did the incident occur? Which business area of the company is the misconduct related to? For example, the production hall, the department etc.

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9. Course of the complaints procedure

Complaints can be made via the digital whistleblower system **CrefoSupply**. The person raising a concern receives confirmation of receipt within seven days. Upon request, the communication is completely anonymous. Disclosure of personal information is voluntary. All information is secured with special encryption technology against unauthorized access by third parties.



Hinweisgeber = Whistleblower

Unternehmen = Company

Beschwerdeverfahren = Complaints Procedure

Anonym & sicher = anonymous & secure

Weitergabe = Sharing

1. Beobachtet = Observes
2. Meldet/antwortet = Reports/answers
3. Empfängt =Receives
4. Prüft/fragt = Investigates/inquires
5. Entscheidet = Decides
6. Wird informiert = Is informed

At first, an initial assessment is carried out to check whether the reported violation falls within the material scope of the complaints procedure, whether the described incident is plausible and basically possible and whether it could be a human rights and/or environmental risk, or a violation of human rights and/or environmental obligations, or a serious violation of an internal rule. This initial assessment serves to identify any suspicious circumstances that might require further investigation and clarification as well as possible preventive measures and remedial action. The initial assessment is carried out by the Compliance Office of Creditreform Compliance Services GmbH (hereinafter "CCS").

Following the plausibility check by the CCS Compliance Office, the AWG Complaints Office clarifies the facts on a case-by-case basis and undertakes to gather all essential information. Concerns relating to violations by direct or indirect suppliers are investigated together with them. If necessary and possible, the AWG Complaints Office contacts the person raising the concern to better understand the facts. Depending on the complexity of the matter, the Complaints Office estimates the processing time. The person raising the concern is informed within three months on how the concern was dealt with and on the current status.

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10. Result of the complaints procedure

If it becomes evident in the course of the investigations that a violation of human rights or the environment is imminent or already occurring, appropriate remedial action is taken without undue delay. In addition, preventive measures are taken to prevent or minimise the risk of further violations of the same kind. The Complaints Office follows up on whether the remedial action was implemented, and effectively ended or minimised the danger, as well as whether preventive measures were taken.

The person raising the concern is also informed and given an explanation if the facts are not further to be investigated for objective reasons (e.g. because the facts are already known and have been clarified or are not plausible).

At the completion of the investigation, i.e. when the facts have been investigated in such a way that the essential information has been collected and evaluated, the person raising the concern is informed of the result to the extent permitted by law.

11. Protection of the person raising the concern

Throughout the entire investigation individual measures are developed and taken on a case-by-case basis to ensure that the person raising the concern is protected from being victimised or punished.

In general, the following measures serve to protect the person raising the concern:

- The concern raised will be treated as strictly confidential during and after completion of the investigation process. Names, personal data or other information relating to the identity of the person raising the concern are, as a matter of principle, not disclosed without cause. Communication, in particular with suppliers, is anonymised or pseudonymised, should this be necessary for reasons of protection or upon request of the person raising the concern.
- If possible and upon request, the Complaints Office will keep contact with the person raising the concern throughout the entire investigation process to be able to respond to any signs of victimisation.
- AWG does not tolerate victimisation or punishment of any person raising a concern based on or in connection with complaints or reported concerns with violations being subject to consequences under labour law if such acts are committed within its own business area.

12. Contact persons

The head of finance, the data protection officer and the auditing staff member are responsible for investigating complaints.

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The AWG Complaints Office investigates the complaints together with Creditreform Compliance Services GmbH, Neuss, if necessary with the support of other experts. The Complaints Office staff are impartial, independent, not bound by instructions and obliged to maintain confidentiality.

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13. Documentation and reporting

As part of the reporting obligation under the LkSG, AWG regularly publishes information on the number of incidents reported, their topics and the conclusions drawn. The reports are always anonymised without names.

Version/change history

Changes to this document are recorded within the following table. Please specify where changes have been made.

| Version | Date | Processed by | Changed sections |
|---------|------------------|--------------|----------------------|
| V1 | 14 November 2023 | CCS | Newly created |
| V2 | 28 November 2023 | CCS | Sections 5.7 and 10 |
| V3 | 2 September 2024 | CCS | Sections 8, 9 and 10 |

Authorisation

| Name | Function | Status | Date |
|------|----------|--------|------|
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