Procedure Instructions for the Complaints Procedure

according Supply Chain Due Diligence Act (LkSG)

KROSCHU KROMBERG & SCHUBERT

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1. Purpose

Violations of the law must be identified early to initiate appropriate countermeasures and prevent potential harm to the Kromberg & Schubert group (hereinafter "**Kroschu**"), its employees, customers, business partners, other affected parties and the environment. Against this background, Kroschu has established a group-wide whistleblower policy with a corresponding complaints procedure (hereinafter "**Complaints Procedure**") to fairly and appropriately investigate reports of potential violations of the applicable laws and internal company rules (in particular, violations of Kroschu's Code of Conduct, hereinafter "**CoC**").

2. Scope

Any persons working at Kroschu and any external persons, e.g. employees of Kroschu's suppliers, (hereinafter "**Reporting Persons**") are entitled to this Complaints Procedure. The material scope of this Complaints Procedure comprises reports including suspicions relating to:

- potential (risks) of human rights violations pursuant to the applicable laws and the CoC, in particular (but not limited to)
    - prohibition of child labor, forced labor and slavery,
    - disregard for occupational safety and health hazards,
    - disregard for freedom of association, freedom of union and the right to collective bargaining,
    - the prohibition of unequal treatment in employment,
    - the prohibition of withholding fair wages, the destruction of natural resources through environmental pollution,
    - the unlawful infringement of land rights and unlawful eviction, and
    - the prohibition on engaging or using private/public security personnel who, due to a lack of training or supervision, could lead to injuries or other harm,
- potential (risks) of environmental violations pursuant to the applicable laws and the CoC, in particular (but not limited to)
    - the prohibition of the manufacture of mercury-added products, the use of mercury and mercury compounds in manufacturing processes and the treatment of mercury waste,
    - the prohibition of the production, use of persistent organic pollutants (POPs), the non-compliant handling, collection, storage, disposal of POP-waste, and
    - the prohibition of the shipment of hazardous waste against the applicable waste shipment rules,
- any other violations of the applicable laws and the CoC, in particular (but not limited to)
    - any offenses enumerated referred to in the applicable whistleblower laws,
    - misuse and/or theft of company assets,
    - criminal offenses including money laundering, fraud, bribery, and corruption,

- failure to comply with a legal obligation, unethical practices in accounting, internal bookkeeping, and financial reporting, conflicts of interest (e.g., operating a side business, either personally or through friends or family members), and/or
- abuse of position at Kroschu for personal gain, and any other fraudulent, corrupt, or unethical conduct

which might be connected with Kroschu's employees or its management, its business partners or any other person involved in Kroschu and its supply chain.

It should be noted that public disclosures, for example via social media, are not in the scope of this Complaints Procedure.

3. Reporting Channels

Reports can be submitted via:

- E-mail compliance@kroschu.com;
- the Contact Portal on the Kromberg&Schubert website https://www.kromberg-schubert.com/about-us/compliance;
- phone +49 (0) 9443 / 77 – 418; or
- in person or in writing to employees of the Group Audit department, in particular the Head of Group Internal Audit.

4. Responsibilities

The Central Group Internal Audit Department is responsible for processing reported violations.

5. Substantiation of Reports

To process and investigate a report appropriately and timely requires that it is as specific, i.e. substantiated, as possible. Considering the following five questions is helpful: **Who? What? How? When? Where**? However, it is not mandatory for a report to cover all of these questions.

Description of the facts in chronological order, ideally including the following information:

• **What** happened?

Specific description of the incident and context – the more detailed, the better.

• **Where** did it happen?

Plant, production hall, department, etc.

• **When** did the incident occur? Is the violation still ongoing?

Date or period, time

• **Who** are the affected or harmed individuals or groups? What is the amount of damage?

Name(s), number, severity of the problem, etc.

• Who could be responsible for the problem?

• Name of the person/department/position, or name of the business partner or supplier further down the supply chain where the problem occurred. Information about the possible motivations of the individuals involved can also be helpful in this context.

• Which law or internal regulation was violated?

• Is there any **evidence**? Photos, videos, documents, potential witnesses, etc.

• What are the expectations regarding possible preventative or remedial measures? What is the specific or desired goal of the complaint?

• Has anyone else already been informed about the problem?

• How should further contact be handled? Provide contact details for further communication or express a wish for maximum confidentiality, e.g., not to disclose the name of the Reporting Person during the investigation.

The aforementioned information facilitates and expedites the proper processing of a report. This list is therefore intended as a guide for formulating a report.

However, it is not a requirement for processing that a report contains information on all of the aforementioned points.

6. What happens after the Submission of a Report?

6.1 Acknowledgement of Receipt

The receipt of the report sent to any of the reporting channels pursuant to Section 3 will be confirmed within seven days of such receipt (hereinafter "**Confirmation Date**"), provided contact details have been submitted. Also, the Reporting Person will be informed about the contact person responsible for handling its complaint and for communicating with the Reporting Person.

6.2 Registration and Forwarding to the Responsible Investigation Unit

Upon receipt, the report will first be registered. The Group Internal Audit department (hereinafter "**Internal Audit**") will then conduct an initial review of each case to classify the facts. All reported concerns will be addressed as quickly as possible, taking into account the complexity, nature, and severity of the issue.

6.3 Initial Assessment of the Report

In the next step, Internal Audit assesses whether there is a sufficiently substantiated and plausible suspicion of a conduct within the scope of this Complaints Procedure. If necessary, other central departments or local plants may be contacted for support, or external investigators may be brought in.

If the information in the report or complaint is not sufficiently substantiated and/or plausible, Internal Audit checks whether the person submitting the report can be contacted (which is not possible, if no contact data are provided). If so, the Reporting Person submitting the report is given a reasonable period to answer any follow-up questions to clarify and substantiate the facts, if necessary, and to strengthen any initial suspicion.

As a rule, the report is forward via Kroschu's whistleblower system to the relevant department within Kroschu that is responsible for handling the report (local compliance officer at the plant (commercial plant management), human resources department).

The aim is to establish whether there is a "suspicion situation" that, legally and in compliance with data protection regulations, justifies and warrants further investigations, clarification, and potential preventive and remedial measures.

If, even after the deadline has passed, the report is not sufficiently specific and/or plausible and any means for a further clarification have been exhausted, Internal Audit will inform the person who submitted the report/complaint that the case is being closed due to a lack of sufficiently concrete initial suspicion and/or legal grounds. The proceedings will then be discontinued.

6.4 Detailed Assessment of the Report Presumption of Innocence

If the assessment reveals that the report is sufficiently specific and plausible the case will be assessed in detail. The Reporting Person will be notified of the outcome of the preliminary assessment and the further course of the proceedings.

6.5 Follow-up Measures (Prevention and Remedial Measures)

If the detailed assessment shows a (risk) for a violation pursuant to Section 2 of this Complaints Procedure, Internal Audit examines which follow-up measures are suitable, necessary, and appropriate in each individual case. Thereafter, the corresponding follow-up measures are implemented.

All relevant concerns reported in accordance with the Whistleblower Policy are submitted to management at least once a year in the form of the Compliance Report, along with information on the status or outcome of the investigation.

If a serious, duly substantiated suspicion arises, management is informed immediately. Based on the investigation results, the management decides on the next step, e.g., whether to file a criminal complaint, take disciplinary action, etc.

6.6 Conclusion and Review

The investigation results and follow-up measures are documented internally, and the Reporting Person (and the affected suppliers, if any) are informed in writing about the conclusion of the procedure.

7. General Principles

Within the framework of a transparent process, the Complaints Procedure protects Kroschu, its employees, customers, business partners and any other affected person, in particular the Reporting Person.

All employees instructed with carrying out the Complaints Procedure strive to investigate reports and complaints in a fair, balanced, and transparent manner and to resolve problems efficiently and effectively. Specifically, the following applies:

7.1 Objectivity and Impartiality

All reports are processed neutrally and objectively, respecting the presumption of innocence. Employees instructed with conducting the Complaints Procedure are impartial.

7.2 Presumption of Innocence

Investigations are conducted neutrally and objectively, respecting the presumption of innocence. Just as evidence incriminating suspects is investigated, so too is evidence that could exonerate them.

7.3 Confidentiality

Employees instructed with conducting the process handle each case with the utmost confidentiality, as required by the applicable laws. This applies in particular to personal data, which are processed in compliance with the applicable data protection laws.

The identity of the Reporting Person will not be disclosed, provided that the Reporting Person requests so. Confidentiality also extends to persons who are the subject of a report or complaint and persons named therein. However, the identity of Reporting Persons, persons being the subject of a report or named therein will/can be disclosed, if required or permitted by the applicable laws.

7.4 Protection of the Reporting Person and other Persons

Discrimination, intimidation, hostility or any retaliation measure towards the Reporting Person, as well as any other reprisals against such persons or persons who cooperate in investigations to the best of their knowledge and belief, are inadmissible and will not be tolerated. Please note that if the Reporting Person or any

person cooperating in the investigations knowingly provides false or misleading information, it may face legal consequences.

7.5 Involvement of the Informant

Kroschu takes every report seriously.

The report will be discussed, clarified, and reviewed with the Reporting Person. Further information may be requested through follow-up inquiries (if contact data is provided). The Reporting Person will be informed of the outcome of the Complaints Procedure, in particular of follow-up measures to the extent that this does not affect internal enquiries or investigations and does not impair the rights of persons who are the subject of a report or who are named in the report.

7.6 Processing Time

Kroschu makes every effort to process all incoming reports and complaints promptly and without undue delay. At the same time, care is taken to ensure that the reporting party is given sufficient time to respond to inquiries and present relevant points during the fact-finding process.

Depending on the scope and complexity of the matter, a proper review of a report can take a few days, but in some cases, it can take several months. The Reporting Person will be informed of the status of the Complaints Procedure in due time.

7.7 Procedural Costs

The Complaints Procedure is free of charge.

Costs and expenses that the Reporting Person may incur in connection with the use of the complaint procedure will generally not be reimbursed.