

TALKE rules of procedure for processing reports of breaches of human rights and environmental duties of care as defined in s. 8 LkSG

December 2023

Preamble

Alfred Talke GmbH & Co.KG and its subsidiaries (hereinafter referred to jointly as "TALKE") attach great importance to compliance with the law and internal company guidelines.

In order to identify violations as early as possible, a legal ombudsman has been appointed as part of the compliance management system (CMS) to set up and operate an outsourced internal reporting office within the meaning of Section 14 (1) of the Whistleblower Protection Act (HinSchG).

The internal reporting office within the meaning of the HinSchG also performs the function/task of the complaints office within the meaning of Section 8 of the German Supply Chain Due Diligence Act ("LkSG").

TALKE has established a central complaints process in order to recognize violations of the obligations under the LkSG at an early stage and initiate appropriate countermeasures. TALKE's aim is to implement the requirements of the LkSG and to follow up fairly and appropriately on information and complaints about human rights and environmental risks and violations of human rights and environmental obligations in TALKE's supply chain.

The rules of procedure contain the legal requirements for the complaints procedure under the LkSG and are based on the handout "*Complaints Procedure under the Supply Chain Due Diligence Act*", published by the Federal Office of Economics and Export Control (BAFA).

A. Who is responsible for receiving complaints in the TALKE supply chain?

Compliance Officer Services Legal, Stephan Rheinwald, Lawyer, (legal ombudsman of TALKE), embodies the position of complaints office as defined in s. 8 LkSG (and the internal reporting office as defined in s. 14 (1) HinSchG) at the contact information stated in these rules of procedure.

B. Details of the complaints procedure

I. Who can submit a report or complaint?

These rules of procedure are addressed to employees of TALKE companies, employees of direct or indirect suppliers of TALKE, customers and contractual partners of TALKE and other third parties (hereinafter referred to as "whistleblowers").

II. What complaints are handled?

The LkSG complaints procedure can be used to draw attention to human rights and environmental risks as well as violations of human rights or environmental duties of care as defined in the LkSG that exist in the business domain of TALKE or a direct or indirect supplier.

Details on the individual categories of possible violations can be found in the appendix "Categories of possible violations of the LkSG".

III. Which reporting channels can be used to report information or submit complaints?

It is possible for whistleblowers to submit complaints to the legal ombudsman / complaints office of TALKE at the following.

**Compliance Officer Services Legal
Stephan Rheinwald, Lawyer**

Telemannstrasse 22

53173 Bonn

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Reports/complaints can be submitted personally or by phone in German and English. Written reports can be submitted in all languages.

Whistleblowers do not incur any costs or legal fees for providing information. All information is treated in strictest confidence.

IV. What happens after a complaint has been made?

1. General principles

The processing of reports and the corresponding investigation will be carried out fairly, objectively and with due regard for the confidentiality of the identity of the whistleblower.

The applicable provisions of the General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG), as amended, are complied with.

The persons entrusted by TALKE with the implementation of the procedure act impartially. They are independent in the performance of their duties, are not bound by instructions and are obliged to maintain confidentiality.

2. Confirmation of receipt

The receipt of a complaint is documented by the complaints office and confirmed to the whistleblower after seven days at the latest (written confirmation of receipt).

As part of the confirmation of receipt, the whistleblower will also be informed about the next steps, the timeline of the procedure and their rights regarding protection against discrimination or punishment due to the procedure or the use of other formal complaints procedures.

In the case of an anonymous complaint without providing contact details, no acknowledgment of receipt will be sent.

3. Examining the complaint

The legal ombudsman carries out a validity check, i.e. they check whether the incoming report - assuming the alleged facts to be true - would actually constitute a violation of human rights and environmental duties of care in accordance with the LkSG. To this end, the whistleblower is contacted - if possible - and an initial high-level investigation is carried out with the involvement of TALKE.

If there is no conclusive evidence, the whistleblower receives a text explaining the reasons for the negative finding.

4. Suggested procedure

If the information is substantive, the legal ombudsman will make a proposal to TALKE's management on how to proceed.

The whistleblower will also be involved in the development of the proposal, if required by the facts of the case.

Legal requirements, in particular those of the GDPR/ BDSG and the topic of informing the person concerned, are examined and taken into account as part of the proposal.

5. Investigation

The facts of the case will be investigated by the legal ombudsman, TALKE, an auditing firm or another third party commissioned by TALKE. In order to gain a better understanding of the facts of the case, these will be discussed with the whistleblower, insofar as this is useful and necessary for further clarification of the facts. Where appropriate, an investigation report will be drawn up, which should contain not only the results but also measures to be taken.

The proposal for remedial action is developed in consultation with the whistleblower.

6. Result of the investigation

TALKE will issue a decision on the results of the investigation and the measures to be taken.

If TALKE determines that a violation of a human rights or environmental obligation has already occurred in its own business domain or is imminent, TALKE will immediately take appropriate remedial action to end the violation. If violations of human rights or environmental obligations at a supplier are confirmed, appropriate follow-up measures will be taken for the individual case.

If requested, the result achieved will be evaluated together with the whistleblower. A person appointed by TALKE shall monitor the implementation of the measures adopted.

The effectiveness of the corrective measures is reviewed at least once a year and on an ad hoc basis.

7. Feedback to the whistleblower

The legal ombudsman will provide feedback to the whistleblower/complainant within three months of confirming receipt of the report/complaint. The feedback includes notification of planned and follow-up/remedial measures already taken, as well as the reasons for these (unless the whistleblower has already been involved in the development of measures).

However, feedback will only be provided to the whistleblower/complainant to the extent that this does not affect internal inquiries or investigations and does not prejudice the rights of the persons who are the subject of a report or who are named in the report.

8. Do I have to fear personal consequences if I submit a complaint?

Whistleblowers who submit their complaint to the best of their knowledge and belief are particularly well protected against discrimination and punishment. Therefore you need not fear any personal consequences if you express your concerns or ask for advice.

Even after the procedure has been completed, it is possible and desirable to maintain contact between TALKE and the whistleblower in order to ensure that the latter is not subsequently jeopardized by retaliatory measures.

9. Duty of documentation

The results of investigations into breaches of obligations under the LkSG and the follow-up measures are documented in an internal final report. The documentation is retained for at least seven years from creation.

10. Review of the effectiveness of the complaints procedure

The effectiveness of the complaints procedure is reviewed by TALKE at least once a year and on an ad hoc basis. As part of the review, the extent to which the TALKE procedure is known internally is also examined.

Annex Categories of possible violations of the LkSG

The complaints procedure applies to the following human rights and environmental issues covered by the LkSG:

Human rights risks according to s. 2 (2) LkSG

- Breach of the ban on child labor (No. 1 and 2)
- Breach of the ban on forced labor and all forms of slavery (No. 3 and 4)
- Disregard for occupational health and safety and work-related health hazards (No. 5)
- Disregard for freedom of association, freedom of assembly and the right to collective bargaining (No. 6)
- Breach of the ban on unequal treatment in employment (No. 7)
- Breach of the ban on withholding a fair wage (No. 8)
- Destruction of the natural basis of life through environmental pollution (No. 9)
- Unlawful violation of land right (No. 10)

Breach of the ban on commissioning or using private / public security forces that may lead to impairments due to lack of instruction or control (No. 11)

- Breach of the ban on [...] action or malicious omission which is directly capable of impairing a protected legal position (= further human rights) in a particularly serious manner and the unlawfulness of which is obvious on a reasonable assessment of all the circumstances in question (No. 12)

Environmental risks as per s. 2 (3) LkSG

- Violation of a ban resulting from the Minamata Convention (No. 1-3)
- Violation of the ban on the production and / or use of substances as defined in the Stockholm Convention (POPs) and non-environmentally sound handling of waste containing POPs (No. 4 and 5)
- Violation of the ban on the import and export of hazardous waste as defined in the Basel Convention (No. 6-8)