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Complaints procedure

In accordance with Section 8 of the German
Supply Chain Act



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1 Purpose

The ZOLLERN Group (hereinafter referred to as "ZOLLERN") has a complaints procedure as a core element for compliance with human rights and environmental due diligence obligations within the meaning of the German Supply Chain Act.

The complaints procedure enables individuals to point out human rights and environmental risks as well as (possible) violations of human rights or environmental obligations that have arisen or are suspected to have arisen as a result of the business activities of ZOLLERN's own business area or a direct supplier.

Such complaints about and indications of human rights or environmental risks enable ZOLLERN to respond at an early stage with remedial and preventive measures to avert imminent damage. In addition, ZOLLERN can continuously adapt and improve its processes for complying with its human rights due diligence obligations within its supply chain based on findings from dealing with such complaints.

2 Scope of application

These Rules of Procedure (regulation?) apply to any information - including information submitted anonymously - from one or more persons, both within and outside ZOLLERN. In particular, (former) employees, potentially affected persons, authorities, political actors, and society as a whole can contact ZOLLERN with information and complaints.

3 What can be reported?

Relevant information or complaints can be submitted if there is a human rights or environmental risk within the meaning of Section 2 of the German Supply Chain Act.

A **human rights risk** exists in a situation in which it is probable that prohibited behavior relating to one of the human rights issues listed below is imminent or has already occurred:

- Child labour,
- forced labour,

- all forms of slavery,
- disregard for occupational health and safety standards and work-related health hazards,
- disregard for freedom of association, freedom of association and the right to collective bargaining,
- discrimination and equal treatment of employees,
- withholding appropriate remuneration for labour,
- destruction of the natural basis of life through environmental pollution,
- violence by private or public security forces,
- land grabbing.

In addition, reference may be made to **environmental risks** in the following cases:

- prohibited use of mercury in manufacturing processes (as defined by the Minamata Convention on the Control of Mercury Emissions),
- violation of the ban or restriction on the production and use of persistent organic substances (aldrin, chlordane, DDT, endrin, heptachlor, hexachlorobenzene, mirex, toxaphene and industrial chemicals and two groups of undesirable by-products polychlorinated dibenzodioxins and dibenzofurans) (as defined by the Stockholm Convention on Persistent Organic Pollutants),
- violation of the requirement to minimize the transboundary movement of hazardous waste and to dispose of it in an environmentally sound manner close to the point of generation (as defined by the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes).

4 What reporting options are available?

ZOLLERN offers whistleblowers various options for submitting reports in a secure and confidential manner.

Employees can submit reports:

- in person to the ZOLLERN Compliance Department,
- by telephone via the ZOLLERN Compliance Hotline,
- via the external independent lawyer of confidence,
- by letter or
- by e-mail.

All internal reporting options can be found in **Group Directive No. 02/06, Compliance** on the intranet.

External persons can submit reports as follows:

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|---|---|
| by phone via the ZOLLERN Compliance Hotline | +49 (0) 7571 70-733 |
| by phone or e-mail to the external independent lawyer of trust | Kanzlei Reinhart, Augsburg office, +49 (0) 821 81511911, reinhart@kanzlei-reinhart.de |
| By letter | ZOLLERN GmbH & Co. KG Hitzkofer Straße 1 72517 Sigmaringendorf |
| by e-mail | lksg@zollern.com |

5 How are reports and complaints processed?

The employees of the ZOLLERN Compliance department are responsible for processing human rights and environmental complaints. They act and are

- impartial,
- independent,
- not bound by instructions in the fulfilment of their tasks,
- free from conflicts of interest,
- bound to secrecy,
- equipped with sufficient time resources.

5.1 Receipt of the report

If contact information is provided when a report is submitted by letter or email that enables written confirmation of receipt (e.g., by post or email), the Compliance department will confirm receipt of the report in this way within seven days.

If a report is submitted in a personal meeting with the Compliance Officer, via the compliance hotline or by phone to the lawyer of trust, receipt of the report is confirmed immediately in the reporting meeting.

5.2 Review of the report and discussion of the situation

The employees of the Compliance department examine every incoming report and, if necessary, initiate or commission further investigations. The whistleblower is offered the opportunity to discuss the facts of the case with employees of the Compliance department in person, by phone or in text form, while maintaining confidentiality. After an initial review of the report, further investigations will be carried out by the Compliance department, if necessary. If necessary and if contact details are available, the department will

contact the person who made the report. If necessary, the case may also be forwarded to external authorities, e.g., the police, for further investigation.

5.3 Measures

If, while clarifying the facts, it is determined that a violation of human rights or the environment is imminent or is already taking place, suitable remedial measures are taken promptly. The Compliance department tracks and documents whether the remedial measures are implemented and are effective in ending or minimizing risks.

Where possible, the result achieved is evaluated together with the whistleblower.

6 Protection of whistleblowers

Throughout the entire procedure, the protection of whistleblowers against discrimination or punishment based on information and complaints submitted is guaranteed.

All information and complaints, anonymous or not, are treated confidentially during and after the conclusion of the procedure, and personal data is protected.

6.1 Protection against discrimination or punishment based on a complaint

Unjustified discriminatory actions or even punishments of whistleblowers due to or in connection with complaints or indications are not in line with ZOLLERN's Code of Conduct. They will not be tolerated by ZOLLERN and, if they occur in its own business area, may have consequences under labor law.

6.2 Protection in case of reports that turn out to be unfounded

Whistleblowers are required to verify that the information they submit is reliable and accurate, considering the circumstances. ZOLLERN will not punish whistleblowers who, at the time of reporting, had sufficient reason to assume a risk or a (possible) violation if they later prove to be unfounded.

6.3 No protection for deliberately false reports

The complaints procedure is not intended to record deliberately false or malicious allegations. If the whistleblower has deliberately provided false or inaccurate information, ZOLLERN does not grant protection against reprisals. In this case, ZOLLERN reserves the right to initiate disciplinary and/or criminal

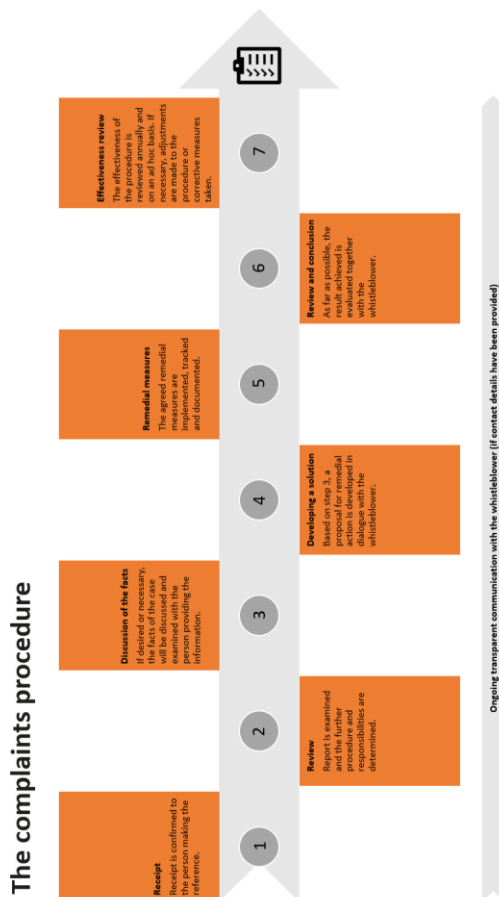
proceedings. The identity of a whistleblower who willfully or through gross negligence reports incorrect information about violations cannot be protected.

7 Effectiveness review

The effectiveness of the procedure is reviewed annually and when the situation demands it. If necessary, adjustments are made to the procedure or to corrective measures.

8 Note

8.1 Graphical representation of the complaints procedure





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