

Complaints Procedure

on the Introduction and Implementation of a Complaints Procedure Pursuant to Section 8 (2) LkSG

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Background and purpose

The German Act on Corporate Due Diligence to Prevent Human Rights Violations in Supply Chains (Lieferkettensorgfaltspflichtengesetz - LkSG) came into force on January 1, 2023.

The aim of the Supply Chain Act is for companies to identify human rights and environmental risks within their own organization and along their supply chains and, where possible, prevent them or at least limit their impact. To this end, the law prescribes a series of due diligence obligations for the companies concerned, including an appropriate complaints procedure. As things stand, Hensel Recycling GmbH is not obliged to comply with the law. The establishment and provision of the complaints procedure is voluntary.

What is the function of the complaints procedure?

The complaints procedure is intended to fulfill two functions:

On the one hand, the complaints procedure serves as an early warning system through which problems are identified and, in the best case, resolved before people or the environment are actually harmed.

Secondly, complaints procedures provide access to appropriate remedies. For example, companies can be made aware of imminent or existing violations of legal interests and subsequently take effective remedial action.

To which companies do these rules of procedure apply?

These Rules of Procedure apply to the following companies (hereinafter: "Hensel Recycling Group"):

- Hensel Recycling GmbH, Germany
- Hensel Recycling International GmbH, Germany
- Hensel Recycling France Sarl, France

Who can submit reports?

All persons or groups of persons who are potentially or actually affected by human rights or environmental violations in their own business area or within the supply chain of the Hensel Recycling Group, or who are aware of such violations, can submit information via the complaints procedure.

These include, for example:

- (Former) employees,
- Employees of direct and indirect suppliers and business partners,

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- Customers,
- Relatives of employees,
- Trade unions, non-governmental organizations and other organizations that gain knowledge of risks or damage and/or support those affected.

Which issues can be reported?

Information or complaints can be submitted if there is a potential human rights or environmental risk.

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

- Child labor,
- Forced labor,
- Forms of slavery,
- Disregard of occupational health and safety standards,
- Disregard for freedom of association,
- Discrimination and equality of employees,
- Withholding appropriate remuneration for work performed,
- Human rights violations due to environmental damage, disregard for land rights,
- Violence by private and public security forces.

In addition, information or complaints can be submitted regarding human rights risks in connection with potential environmental damage, which are often associated with human rights risks. This concerns:

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

if they impair natural resources, e.g. because they affect access to food, drinking water or sanitary facilities or health in general (e.g. if chemicals are released into rivers and the drinking water for local residents is contaminated).

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

- Prohibited use of mercury in manufacturing processes (as defined by the Minamata Convention on Mercury),
- Violation of the ban or restriction on the production and use of so-called persistent organic substances (as defined by the Stockholm Convention on Persistent Organic Pollutants),
- Violation of the requirement to minimize the transboundary movement of hazardous waste and environmentally sound disposal close to the place of generation (as defined by the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal).

How can reports be submitted?

The Hensel Recycling Group offers an electronic whistleblower system CrefoSupply as a complaints channel. This has a secure mailbox for complete and anonymous communication.

This system can be used to submit complaints and information about the issues mentioned under 6).

The Hensel Recycling Group's Complaints Office is the central office responsible for receiving information and answering questions.

The whistleblower system can be accessed via the following link:

CrefoSupply - Welcome

You can also access the whistleblower system via the following QR code:



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What information should a complaint contain?

In order for a report to be processed and investigated appropriately, it is important that the report is as specific as possible. It is helpful if the "five W questions" are taken into account in the report:

Who? What? When? How? Where?

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

WHAT: What has happened? Please describe the incident in as much detail as possible.

WHEN: When did the incident occur?

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

WHERE: Where did the incident take place? To which area of the company is the misconduct connected? For example, in the production hall, in the department, etc.

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Complaints can be submitted via the CrefoSupply digital whistleblowing system. The whistleblower receives confirmation of receipt within seven days. The dialog can be completely anonymous if desired. Identity details are voluntary. All information is technically protected against access by unauthorized third parties using special encryption technology.

First, an initial assessment is carried out to determine whether the reported violation falls within the material scope of the complaints procedure, whether the process described is plausible and possible in principle and whether it could constitute 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 review serves to determine whether a suspicious situation exists that makes it permissible and necessary to take further investigative or clarification measures as well as any preventive and remedial measures. It is carried out by the Compliance Office of Creditreform Compliance Services GmbH (hereinafter "CCS").



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Following the plausibility check by the CCS Compliance Office, the Hensel Recycling Group's Complaints Office clarifies the facts of each individual case and attempts to gather all relevant information. Indications of violations at direct or indirect suppliers are investigated together with these suppliers. If necessary, the Hensel Recycling Group Complaints Office will contact the person providing the information - if they are able to do so - in order to better understand the facts of the case. Depending on the complexity of the matter, it will also estimate how long it will take to process the complaint. The whistleblower will receive feedback within three months on how the report has been dealt with and the current status of the report.

Outcome of the complaints procedure

If, in the course of clarifying the facts, it is determined that a violation of human rights or the environment is imminent or is already taking place, appropriate remedial measures are taken immediately. In addition, preventive measures are taken to prevent or minimize the risk of further violations of the same kind. The complaints office keeps track of whether the remedial measures have been implemented and have been effective in ending or minimizing risks, as well as the implementation of preventive measures.

If the matter is not processed further for objective reasons (e.g. because the matter is already known and has already been clarified or has not proven to be plausible), the person providing the information will also be informed of this, together with a reason.

Upon completion of the processing, i.e. when the facts of the case have been processed in such a way that the essential information has been collected and evaluated, the whistleblower is informed of the result to the extent permitted by law.

Protection of whistleblowers

Throughout the procedure, individual measures are developed and taken on a case-by-case basis to ensure that whistleblowers are protected from discrimination or punishment on the basis of information provided.

In general, the following measures serve to protect the whistleblower:

- The information will be treated in strict confidence during and after the procedure. Names, personal data or other information that could allow conclusions to be drawn about the identity of the person providing the information will not be passed on without good reason. Communication, in particular with suppliers, will be anonymized or pseudonymized if this is necessary for protection or if the person providing the information so wishes.
- If possible and desired, the complaints office maintains contact with the whistleblower throughout the entire procedure and can respond to any indications of discrimination.

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- The Hensel Recycling Group will not tolerate unjustified discriminatory actions or even punishments of whistleblowers based on or in connection with complaints or tips and - if they occur in its own business area - may be subject to consequences under labor law.

Contact and contact person

Oliver Krestin (Managing Director) and Jutta Reul (Head of Financial Accounting) are responsible for processing complaints for Hensel Recycling GmbH and Hensel Recycling International GmbH. For Hensel Recycling France sarl, Philippe Delage (Gérant) is the contact person and responsible for processing.

Complaints are processed by the Hensel Recycling Group's complaints office together with Creditreform Compliance Services GmbH, Neuss, with the support of other experts if required. The employees of the complaints office are impartial, independent, not bound by instructions and obliged to maintain confidentiality.