

## **Rules of Procedure for the Whistleblowing Process at GRAMMER**

These rules of procedure apply to information on compliance violations as well as complaints regarding human rights, environmental risks, or violations in your own business division as well as the supply chain of GRAMMER Group.

These uniform guidelines ensure objectivity, neutrality, uniformity and appropriateness in dealing with such information. In addition, these guidelines ensure a formally correct procedure while safeguarding the rights of employees and whistleblowers. Transparency in the process enables a fair procedure. This process is also intended to enable an effective and efficient handling of indications of violations of rules and misconduct.

GRAMMER trusts its employees and attaches great importance to the ability to accept and openly address criticism and concerns. At the same time, employees trust GRAMMER to investigate allegations and to sanction violations of rules and misconduct appropriately.

### **Responsibilities**

Group Compliance is responsible for setting up and maintaining reporting channels for compliance violations, misconduct, and reports within the scope of the Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains. This includes the provision, maintenance, and support of these reporting channels as well as the documentation of the information received and the necessary forwarding to other responsible departments.

Group Compliance is also fully in charge of processing compliance incidents. If the relevant compliance areas exist at regional level, they are primarily responsible for processing. The relevant Compliance Officer and the Incident Response Committee are responsible for evaluating the content of information on potential compliance incidents in a two-stage process. Group Compliance is responsible for the formalities, establishment and operation of the Incident Response Committees.

Other departments may be responsible for handling hints , in particular: Health, Safety, Environment for the topics of occupational safety and environmental risks, or Purchasing or Supply Chain Management for topics within the supply chain.

### **Central procedural principles**

- Processes and responsibilities are defined and made known in advance.
- Every report is taken seriously and documented.
- Information is treated confidentially and whistleblowers are protected under all circumstances from reprisals or discrimination on the basis of the information.
- If the whistleblower wishes to remain anonymous, this will be respected and guaranteed.

- Anyone who makes a report in good faith (i.e. without any malicious intent to harm) will not be disadvantaged in any way - not even if the content of the report proves to be false or unfounded.
- Information is generally accepted both internally and externally.
- Abusive use through deliberately false information will not be tolerated and will be strictly sanctioned.
- Compliance investigations are carried out exclusively within the legally permissible framework and with due regard for the personal rights of the persons concerned.
- All measures and decisions are taken irrespective of the persons concerned.
- The presumption of innocence and the principle of fair trial apply at all times.
- The focus is on intentional violations of the law, not on negligent mistakes in everyday work.
- Information is processed as promptly as possible, and the whistleblower receives final feedback on the information within a reasonable period of time (or within the statutory period).

### **Reporting channels**

In principle, the following reporting channels are available at GRAMMER.

In addition, other departments within GRAMMER may receive information due to their disciplinary or professional responsibility. These are to be reported immediately to Group Compliance if there are indications for potential compliance incidents.

If possible, hints are requested in one of the following languages: German, English, Chinese, Spanish, Portuguese, Serbian, Slovenian, Polish, Czech, Bulgarian.

However, information is generally accepted in any language. Due to the additional translation effort, the processing of a tip may be delayed.

#### **a) Electronic whistleblowing system**

[www.grammer.com/whistleblowing](http://www.grammer.com/whistleblowing)

or directly: <https://grammer.integrityline.com/>

By using the whistleblower system, anonymous reporting is possible. Further exchanges with the whistleblower can take place via an automatically set up anonymous mailbox without the whistleblower having to reveal his/her identity.

The whistleblower system is provided by an external service provider. It is managed and administered by Group Compliance.

This is the preferred reporting channel of GRAMMER.

#### **b) Compliance mailbox**

compliance@grammer.com

Only Group Compliance of GRAMMER AG has access to this mailbox.

By using a private e-mail address (which does not reveal any part of the name or other personal information), a hint can be submitted anonymously. In principle, inquiries are possible in this case. However, when using a once-usable e-mail address, no follow-up questions can be asked, which can make clarification more difficult.

#### **c) By telephone or e-mail to Group Compliance**

By not mentioning the name and dialing a suppressed phone number, a mostly anonymous report is possible. In this case, however, no follow-up questions can be asked at a later date, which may make clarification more difficult.

By using a private e-mail address (which does not reveal any parts of the name or other personal information), a report can be made anonymously. In principle, follow-up questions are possible in this case. However, if a one-time use e-mail address is used, no follow-up questions can be asked, which can make clarification more difficult.

The local contact persons from the Compliance department can be called up at any time via the intranet.

Peter Petrat, Head of Compliance, +49 9621 66 2813, +49 151 407 472 63, peter.petrat@grammer.com

#### **d) Mail**

By omitting a sender, an anonymous report is possible. In this case, however, inquiries cannot be made, which may make clarification more difficult.

Letters should be addressed to:

- confidential -  
Group Compliance  
GRAMMER AG  
Grammer-Allee 2  
D-92289 Ursensollen  
Germany

In the AMERICAS and APAC regions, the following addresses may also be used:

- confidential -

Compliance Department  
GRAMMER Americas  
1429 Coining Drive  
Toledo, Ohio 43612  
United States of America

- confidential -

Compliance Department  
GRAMMER (China) Holding Co., Ltd.  
No. 868 Kangqiao Road  
Kangqiao, Pudong District, 201315, Shanghai  
People's Republic of China

#### **e) Personal contact**

Local compliance contacts can be contacted at any time via the intranet.

Peter Petrat, Head of Compliance, +49 9621 66 2813, +49 151 407 472 63, peter.petrat@grammer.com

#### **Sequence / Process**

##### **Step 1: Receipt of a report**

Reports of violations or misconduct as well as complaints regarding human rights or environmental risks or violations are received by Group Compliance via the announced reporting channels or via internal channels or are forwarded to them immediately. The whistleblowers receive an acknowledgement of receipt of their report as soon as possible, at the latest within 3 working days.

##### **Step 2: Initial assessment, plausibility check, allocation**

The reports are documented, assigned a sequential number and subjected to an initial evaluation.

If there are any difficulties with regard to the basic comprehensibility, the whistleblower will be asked.

Obviously abusive or irrelevant tips are sorted out. Information that is not pursued further is regularly reviewed by an internal committee (legal department, HR department, compliance, internal audit).

Issues outside the core responsibility of Compliance are forwarded to the relevant specialist department for independent processing.

### **Step 3: Assessment and planning of further action**

If there is a potential compliance violation, the information is processed by the Compliance Officer and submitted to the Incident Response Committee (IRC), which is convened immediately. The committee decides how to proceed. To this end, it is determined by whom the facts are to be investigated.

If information received does not relate to the area of responsibility of Compliance, it is immediately forwarded to the relevant department.

Information on human rights or environmental risks or violations in the GRAMMER Group supply chain is forwarded to the purchasing department for processing.

Information on human rights or environmental risks or violations within GRAMMER are forwarded to the Human Resources department or the Health, Safety, Environment department.

### **Step 4: Determining the facts**

The determination of facts in the case of potential compliance violations is carried out with the aim of processing the actual events as best as possible and compiling them in a non-judgmental manner. This includes gathering facts, conducting interviews, inspecting analog and digital documents, entering and examining premises and, in particular, all procedures that are expressly permitted by directives or (Group) company agreements. Only those measures that are legally permissible in the specific individual case will be taken. Upon completion of the fact-finding process, the investigating body reports its findings to the IRC. If the IRC does not consider the report to be sufficient, a corresponding supplementary order is issued. If the report is sufficient, the IRC decides on the recommendations for action to be issued to the Executive Board of GRAMMER AG. These may include disciplinary measures, audit assignments to Internal Audit, communication measures or rehabilitative measures.

In the event of indications of human rights or environmental risks or violations, the relevant department will take independent action. In all cases, this includes regular contact with the whistleblower, proper processing and evaluation of the facts, and determination of any necessary remedial measures.

### **Step 5: Decision**

The final decision on consequences of compliance matters is made by the Executive Board of GRAMMER AG. The Executive Board is free to decide whether to follow the IRC's recommendation for action. However, if the Executive Board makes a deviating decision, it must justify this. The decision of the Executive Board is documented.

The implementation of remedial measures in the event of human rights or environmental risks or violations is carried out by the respective department or its responsible Executive Board member. Measures from the subject area of human rights are to be coordinated with the GRAMMER Human Rights Officer. The process and measures from these areas are also documented centrally according to a standardized template specified by Group Compliance.

**Step 6: Conclusion**

The implementation of the measures decided by the Executive Board in the event of compliance violations is followed up by Compliance.

Implementation of the measures from the specialist areas is ensured in each case by the head of the respective area.

The implementation of measures in the area of human rights is additionally monitored by the Human Rights Officer.

Once processing is complete, existing whistleblowers are informed of the end of the referral process and of the outcome in abstract form.

The case is closed and the documentation of the case is finalized.

The documents are filed and archived by Group Compliance. Anonymization or deletion of the data takes place 10 years after closure.