

COMPLAINTS PROCEDURE FOR HUMAN RIGHTS OR ENVIRONMENTAL RISKS OR INJURIES

Rules of procedure under the Act on Corporate Due
Diligence Obligations for the Prevention of Human
Rights Violations in Supply Chains

VERSION 1, APRIL 2023



DETECTING VIOLATIONS AT AN EARLY STAGE

We live compliance as part of our corporate culture. To emphasize the importance of compliance with the law, we have anchored this in our corporate principles: "We comply with applicable law and internal guidelines."

Our primary goal is to identify potential misconduct at an early stage and thereby counter risks in a targeted manner. We achieve this, among other things, by reporting possible compliance violations to the compliance department.

Through our complaints procedure, all employees and persons along our supply chain can make our company aware of human rights and environmental risks or violations. This helps us to identify risks at an early stage and, ideally, resolve them before people or the environment are harmed. If damage has already occurred, the complaints procedure offers opportunities to implement appropriate measures and thus remedy the situation. Of course, it is ensured that the report can be submitted anonymously and confidentially.

Our complaints system and procedures are therefore a core element of the due diligence obligations established by the Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains.

COMPLAINTS PROCEDURE

REPORT COMPLIANCE RISKS AND VIOLATIONS

Various channels are available for reporting information about a compliance risk or violation. These can be used without restriction by anyone along our supply chain:

ONLINE REPORTING

Information can be reported worldwide, around the clock, in various languages and free of charge via our online reporting system. In case of a report, the relevant topic can be selected. The system does not store IP addresses or metadata, so traceability is impossible.

If a report is submitted anonymously, a further dialog and possible queries to the whistleblower can only take place if a mailbox (which is always anonymous) has been set up as part of the reporting process.

COMPLIANCE DEPARTMENT

Information can also be sent to our compliance department.

Address: Kaufland Stiftung & Co. KG

Legal & Compliance / Compliance

Rötelstraße 35

74172 Neckarsulm

compliance@kaufland.com

LAWYERS OF CONFIDENCE

Information can also be sent to our independent lawyers of confidence. They are bound to secrecy. All information is checked carefully. If the information is relevant, they contact the compliance department. Personal data will only be passed on with the explicit consent of the whistleblower.

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An overview of all current reporting channels is also available at <https://www.kaufland.com/compliance>. For each of these reporting channels, we guarantee that information will be treated confidentially – and anonymously if desired. Of course, all data protection regulations are complied with.

General inquiries, requests or suggestions do not fall under this complaints procedure. For all topics not related to compliance, our respective customer service is available as a trustworthy contact person (for our Kaufland Stores: kundenmanagement@kaufland.de; for our online marketplace: kundenservice@kaufland-online.de).

WHISTLEBLOWER PROTECTION

Information about possible human rights and environmental risks or violations are of great value to our company and our supply chain. For this reason, we want to protect whistleblowers who report possible risks or violations to the best of their knowledge and in good faith from adverse measures taken by the company as a result of the report. This is

regulated by binding internal guidelines and contract provisions. Violations of whistleblower protection constitute a compliance violation and will be investigated accordingly.

RECEIPT AND INITIAL EVALUATION OF INDICATIONS

As part of an initial assessment, the compliance department determines whether the complaint is relevant for human rights and environmental risks. In these cases, a notification of receipt is sent to the whistleblower within seven working days at the latest, provided that a communication channel is available. If possible, we ask the whistleblower further questions to determine the plausibility and to clarify open questions about the facts described.

All incorrectly addressed indications or indications with a different relevance are forwarded to the responsible department in the company, observing all necessary data protection requirements. Only those indications, that are not considered sensitive in terms of data protection, will be forwarded without the whistleblower's consent.

INVESTIGATION PROCEDURE

If relevance and initial suspicion are affirmed, we initiate an investigation as soon as possible to clarify the facts. For this purpose, the compliance office creates an investigation team for the respective specific investigation matter from the relevant departments (e.g. Corporate Responsibility, Human Resources, Purchasing, Procurement). If necessary, internal or external service providers will be consulted to clarify the facts. The investigation will be completed within a reasonable period of time. As part of the internal investigation, we may also ask the whistleblower further questions to clarify any open points on the matter described and inform him about the conclusion of the procedure.

IMPLEMENTATION OF REMEDIAL ACTION

After completing the investigation, we check whether measures are required to end, minimize or prevent the violation. For this purpose, we analyze the specific need for

correction and improvement. This analysis also considers the expectations of the group of people affected by the violation.

Remedial action can be purely internal measures in our own business area, such as process adjustments, new guidelines, or improved training concepts. However, measures with and towards third parties may also be necessary.

The implementation of the measures is monitored accordingly.

DOCUMENTATION

All complaints, investigation actions as well as the investigation result are documented and archived at defined locations. They are stored in accordance with the relevant legal and data protection requirements. The viewing and access rights are strictly regulated.

RISK ANALYSIS AND REPORTING

The findings from the processing of reports are considered in the risk analysis. The number and handling of reports is communicated accordingly.

EFFECTIVENESS CHECK

We review all systems and processes described above in connection with our complaints procedure on an ad hoc basis, and at least once a year, for their effectiveness.

CONTACT

If you have any comments or suggestions about our complaints procedure, please contact our compliance department at compliance@kauffland.com.