

KÄRCHER



KÄRCHER RULES OF COMPLAINTS PROCEDURE

Alfred Kärcher SE & Co. KG

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1. Introduction and targets of these rules of procedure

Acting responsibly and lawfully is one of the basic requirements for long-term business success as well as for the trust that customers, business partners and the public place in Kärcher. For this reason, our corporate culture is characterised by clear responsibility, transparency as well as mutual respect and trust. Likewise, value-based compliance, integrity and law are an indispensable part of everyday business. Violations of this requirement pose risks for the company and employees alike. One of many protective measures in the context of Compliance and Integrity at Kärcher is the so-called complaint or whistleblowing system.

Kärcher has a complaint system that ensures the confidential and, if desired, anonymous reporting of potential violations of human rights and environmental issues - hereinafter referred to as "complaints" - and their processing, without those who provide the information having to fear retaliation.

These rules of complaints procedure serve to create a structured framework for processing complaints containing violations and risks and to ensure that complaints from customers, employees, suppliers, affected persons or external third parties are processed efficiently and transparently. This of course also applies to human rights and environmental violations.

These rules of complaints procedure provide a clear overview of how the complaints procedure works and how incoming complaints are processed. The complaint procedure is designed to ensure that every complaint is addressed promptly, clarifying the circumstances alongside the person who provided the complaint, and coordinating the development and implementation of appropriate measures.

2. Scope of application

Kärcher's target is to eliminate all types of violations of the law. Kärcher therefore provides an extensive whistleblowing system to place complaints.

Complaints may refer to

1. Risks of violations or violations of human rights or environmental obligations
2. References to other violations of the law, such as criminal law, antitrust law, data protection law or corruption
3. Violations of internal regulations such as policies or guidelines

Examples of human rights and environmental risks that can be reported include violations of:

- the prohibitions of child labor, forced labor and all forms of slavery, the prohibition of unequal treatment in employment relationships and the withholding of an appropriate wage as well as the prohibition of the commissioning of inadequately trained or controlled private or public security forces
- the disregard for occupational safety and work-related health risks, the disregard for freedom of association and the right to collective bargaining
- the unlawful violation of land rights
- the ban on the import and export of hazardous waste within the meaning of the Basel Convention.

Risks and violations are not only covered within the companies, locations, production facilities or branches of Kärcher, the so-called own area of business, but also within the companies, locations, production facilities and branches of all of Kärcher's direct and indirect suppliers.

The reporting platforms are also open not only to employees and business partners as well as their employees, but also to all other people who have questions or concerns about risks of violations or possible violations of the law within Kärcher's own area of business or its supply chain. The person or persons providing the complaint do not have to be affected by the risk or injury themselves. Complaints can also be made by third parties.

3. Protection regarding retaliation and ensuring of anonymity as well as confidentiality

Kärcher does not impose any retaliation against the person who provides the complaint. This only does not apply if the whistleblower deliberately makes untrue accusations and thereby abuses the described complaint procedure. If Kärcher becomes aware of retaliation that has been carried out in its own business area, measures will be taken against the perpetrators within the scope of the legal possibilities.

Kärcher also does not tolerate any retaliation from direct or indirect suppliers against persons who provide information. If Kärcher becomes aware of retaliation carried out by one of its own employees or employees of a supplier, Kärcher will immediately examine further legal options.

All persons involved by Kärcher in processing complaints maintain confidentiality and are obliged to maintain secrecy by Kärcher. Complaints are processed objectively and impartially. The people involved act independently when processing complaints and are not bound to instructions. Only those people who are directly responsible for processing are involved in the processing of complaints.

Anonymity when submitting complaints means that a whistleblower does not have to provide any personal information about himself or the source of his information. Confidentiality when processing complaints means that information about the identity of the person providing the information or other named persons is only passed on to involved persons if this is necessary for their task in the processing. Kärcher therefore uses the "need-to-know principle".

If state authorities investigate, Kärcher may have to pass on available information. Depending on national law, this may also include information about the person providing the complaint, provided Kärcher has knowledge of this.

4. Possibilities to raise a complaint

Kärcher's complaint procedure enables anyone to report complaints to Kärcher internally and externally, confidentially and, if desired, anonymously. At Kärcher there are different options for submitting complaints.

Alfred Kärcher SE & Co. KG (parent company), central processing for all Kärcher companies possible:

- Using a software solution, complaints can be submitted free of charge, confidentially and, if desired, anonymously. Access is via https://kaercher.sicher-melden.de/whistle/#/mainpage/kaercher/alfred_kaercher_se_co_kg
- Complaints can also be submitted confidentially and, if desired, anonymously via the central telephone number, which can be reached at any time.
Phone +49 7195 14 1500
- Confidential and, if desired, anonymous submission of complaints is also possible via email and by post:
Email compliance@karcher.com
Post Alfred Kärcher SE & Co. KG, Corporate Compliance
Alfred-Kärcher-Straße 28-40
71364 Winnenden
Germany
- In addition, the contact persons from Corporate Compliance are available for personal contact.

Separate channels are available for individual Kärcher subsidiaries due to local requirements. These channels are listed below.

Subsidiary Alfred Kärcher Vertriebs-GmbH, Sales subsidiary in Germany:

- Software solution for free of charge, confidential and, if desired, anonymous submission of complaints:
https://kaercher.sicher-melden.de/whistle/#/mainpage/kaercher/alfred_kaercher_vertriebs_gmbh
- The telephone number for confidential and, if desired, anonymous submission of complaints:
Phone + 49 7195 903 3968
- Confidential and, if desired, anonymous submission of complaints is also possible via email and by post:
Email compliance.vertrieb@karcher.com
Post Alfred Kärcher Vertriebs-GmbH, Unit Compliance
Friedrich-List-Straße 4, 71364 Winnenden, Germany

Subsidiary Kärcher S.A.S., Sales subsidiary in France:

- Software solution for free of charge, confidential and, if desired, anonymous submission of complaints:
https://kaercher.sicher-melden.de/whistle/#/mainpage/kaercher/kaercher_s_a_s
- The telephone number for confidential and, if desired, anonymous submission of complaints:
Phone +33 7 7222 0844
- Confidential and, if desired, anonymous submission of complaints is also possible via email and by post:
Email compliance.fr@karcher.com
Post Kärcher S.A.S, Compliance/Conformité
5 avenue des Coquelicots, 94370 Bonneuil-sur-Marne, France



Subsidiary CEM S.P.A., Production subsidiary in Italy:

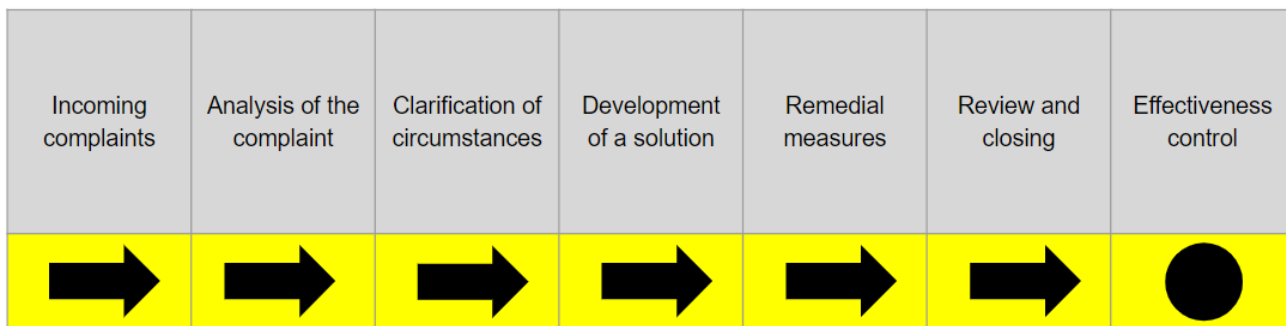
- Software solution for free of charge, confidential and, if desired, anonymous submission of complaints:
https://kaercher.sicher-melden.de/whistle/#/mainpage/kaercher/cem_s_p_a
- The telephone number for confidential and, if desired, anonymous submission of complaints:
Phone: +39 2 37069902
- Confidential and, if desired, anonymous submission of complaints is also possible via email and by post:
Email paola.prati@contractor.kaercher.com or ferdinando.del-sante@contractor.kaercher.com
Post CEM S.p.A.
Via Ca' Rossa, n.1, 46026 Quistello, Italy

Subsidiary CER Cleaning Equipment S.R.L., Production subsidiary in Romania:

- Software solution for free of charge, confidential and, if desired, anonymous submission of complaints:
https://kaercher.sicher-melden.de/whistle/#/mainpage/kaercher/cer_cleaning_equipment_s_r_l
- The telephone number for confidential and, if desired, anonymous submission of complaints:
Phone +40 374 832 698
- Confidential and, if desired, anonymous submission of tips is also possible via email and by post:
Email conformitate.notificari.cer@karcher.com
Post CER Cleaning Equipment S.p.A.
115300 Curtea de Arges Municipality, Strada Nordului 13-15, Romania

5. Processing of incoming complaints

a) Graphical overview of the process



b) Incoming complaints

Complaints submitted to Alfred Kärcher SE & Co. KG are always the responsibility of the Corporate Compliance unit. The sole contact person for the whistleblower is the responsible compliance employee at Corporate Compliance. The reports submitted to the local companies mentioned are processed by a local compliance employee. In these cases, sole responsibility lies with this local compliance employee.

Every person who provides complaints will receive confirmation of receipt within 7 days. If the person providing the complaints submits the complaint anonymously via the software solution or in email form, receipt will be confirmed via the selected channel. This channel continues to ensure correspondence with the person providing the complaint while maintaining their anonymity.

c) Analysis of the complaint

All incoming complaints are investigated by the responsible compliance employee. The first step is a plausibility check. The compliance employee then examines the circumstances, possibly with the involvement of other persons depending on the subject area. If employees from other departments or external experts need to be involved, the respective persons are also obliged to maintain confidentiality, are impartial and are not bound by instructions when dealing with the content of the complaint.

Following topics will not be analysed, for example accusations,

- which are based solely on unsubstantiated rumours and for which the plausibility cannot be increased,
- which is primarily caused by personal dislike,
- that deal with topics that are irrelevant to the company.

d) Clarification of circumstances

The circumstances of a complaint are discussed with the person providing the complaint, particularly if the complaint is implausible or there are specific questions for further processing. From this processing can be deviated, if an exchange with the person providing the complaint is not possible for actual reasons. If the complaint is still assessed as implausible, the procedure will be stopped and the person who provided the complaint will be informed of this with a brief explanation. As described above, the exchange is controlled by the responsible compliance employee. Relevant information required to clarify and examine the complaint is obtained and evaluated. This may include conducting interviews with persons of interest. Persons of interest are treated fairly and respectfully, especially during interviews and other direct contacts.

A protocol is drawn up about interviews. A protocol is also created when interviews are conducted by external third parties. Persons who are accused of incorrect behaviour have the right to comment on the allegations made as part of the clarification of circumstances.

Further principles that apply when clarifying the matter are listed in Chapter 7 of these rules of complaint procedure.

e) Development of a solution and remedial measures

If the investigation reveals an indication that there is a risk of a violation or that a violation has occurred, the responsible compliance employee will, if necessary, work with other departments to develop the remedial measures to be taken. The person providing the complaint will be informed about the solution that has been developed. The person providing the complaint has the opportunity to comment on the submitted solution via the selected communication channel. Responsibilities are defined for the remedial measures to be taken. Furthermore, an implementation plan is drawn up and the remedial action is subsequently carried out.

The person providing the complaint will receive information as part of the processing of the matter after 3 months at the latest. The person who provided the complaint will be informed of the outcome of the procedure they initiated.

f) Review and closing

As part of the investigation control and process weaknesses are examined to determine what behaviour enabled the violation. Once the review has been completed, the specified remedial measures are transferred to the compliance control circle and the implementation of these remedial measures is verified.

g) Complaint related effectiveness control

The results of the investigation and the implementation of the remedial measures are documented and included in the next recurring risk analysis. The personal data will be stored and deleted in accordance with the Kärcher data protection regulations.

Kärcher works as efficiently as possible to check and solve issues. Every investigation and remedial action is different. The time required can therefore vary. However, Kärcher endeavours to process all complaints quickly, but will give priority to complaints that raise particularly serious concerns in terms of the risk and severity of the violation. If processing requires a longer period of time, information on the status of the procedure will be provided at regular intervals. If legal deadlines exist, these are adhered to.

6. General effectiveness control

The complaint procedure is reviewed once a year or as needed. Depending on the results of this review, the procedure and these rules of complaint procedure will be adjusted.

7. Further procedural principles when processing complaints

As part of the plausibility check and the clarification of the circumstances, principles apply to the compliance managers and the persons involved. These principles support the objective processing of the complaint.

Adherence to applicable law and company regulations

Applicable law and company regulations must be adhered to with regard to the protection of privacy and the collection of electronic data. Compliance with data protection regulations when obtaining and evaluating documents and data is particularly important for the company.

- Employees must always hand over official documents because they belong to the company
- This also applies if these documents reveal criminally relevant behaviour by the employee. The ban on self-incrimination does not apply in this context
- In principle, the company cannot view private documents. As a rule, the decisive factor for the permissibility of collecting, processing and using data in Germany is the question of whether there is sufficient suspicion, based on concrete and factual evidence, that the employee concerned has committed a criminal offence

Participation of lawyers and members of workers councils in interviews

During interviews, the presence of a lawyer or a member of the workers council body must be permitted at the request of the employee interviewed, provided that company guidelines or applicable law permit or require this. This also applies when interviewing external people, for example employees of suppliers. Interviewed employees or external third persons can make use of

this right at any time during an ongoing interview, especially if they become aware of the importance or threat of the process during the interview. The employee or external third person bears the costs of involving a lawyer.

Unfair measures in internal investigations

Making or obtaining secret recordings of interviews

Such an approach is prohibited in Germany. In many other countries, including European ones, such a prohibition does not exist. However, for Kärcher as an internationally operating company, it is important to treat all interviewed persons equally.

Involvement of private investigators against employees

According to case law, this measure is only permissible if there is tangible suspicion of a criminal act against the company or a severe violation of duties at work. It is also necessary that there are no other promising options for clarifying the suspicion, the deployment is proportionate and the private investigations are limited to what is necessary. If, in individual cases, there is an unavoidable need to involve private investigators, this should only be done with the prior approval of the Member of the Board of Management responsible for Compliance at Alfred Kärcher SE & Co. KG

Using false identities, making untrue statements of facts, inducing misconduct, or creating a pretext for the purpose of an investigation

These and other methods, for example intimidation, coercion, threats or the false appearance of "official" actions, have in common that they are capable of impairing the free will of the employee concerned.

Such dishonesty can significantly affect the reliability of the investigation results and is therefore refrained from.

Promises, particularly regarding the outcome of the investigation

These are promises that relate to the presentation of the investigation results. Such actions can discredit the objectivity of the entire procedure and must be avoided. The same applies to commitments that cannot be kept by Kärcher due to a lack of decision-making authority, such as non-punishment of misconduct by law enforcement authorities.

Circumventing any rights that an interviewed persons may have under applicable law or company guidelines

The legal positions of the person interviewed during an investigation must be protected by all persons involved in the internal clarification of the circumstances.

Dealing with conflicts of interests

The correct handling of conflicts of interest is particularly important for the integrity and inviolability of the investigation and its results, as they could compromise the objectivity of the person involved in the investigation.

Persons assisting in investigations must avoid actual or potential conflicts of interest. Among other things, these can result from:

- Personal relationships with a person involved in the investigation.

- Connection to or involvement in acts to which the investigation relates. This also affects the entire organisational unit in which the employees work and also applies to comparable constellations in connection with the supply chain.

Employees who participate in investigations and become aware of an actual or potential conflict of interest or the appearance of one should immediately inform the responsible compliance manager. The responsible compliance manager must immediately check whether there is a conflict of interest. If this is the case, appropriate measures must be taken to ensure that the investigation can continue without any appearance of lack of independence. Such measures can be:

- Exclusion of the affected employee
- Definition of criteria together with the Global Compliance Manager of Kärcher under which circumstances further processing may be possible
- Assignment of an external service provider to carry out the investigation or specific tasks.

If the check did not find a conflict of interest or finds that it has been resolved, the employee concerned can resume his or her role as part of the investigation upon the decision of the responsible compliance manager. The Global Compliance Manager must be informed about this.

Consequences for non-adherence with the stated principles

If violations of the principles and procedures mentioned above are reported, this will be investigated accordingly. Violations can lead to legal and labour law consequences.

Publisher
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