

Rules of Procedure under complaints and whistleblower protection for the Otto GmbH & Co. KGaA

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1. Preamble

Success can only be sustainable if everyone involved sticks to clear rules. The Otto GmbH & Co. KGaA brings fair play to life, instead of merely paying lip service to the notion. Whether in everyday competition, when dealing with customers, or in our day-to-day work: Otto GmbH & Co. KGaA is part of the Otto Group and upholds the highest standards of integrity and respect. For this reason, whistleblowers or complainants have the opportunity to provide reports of non-compliance with laws or abuses in the company or in the supply chain - anonymously if they wish. Persons who submit reports or complaints¹ within the framework of these Rules of Procedure are granted whistleblower protection in order to ensure that the requirements of honesty and respect are upheld at all times. In doing so, we fulfil our obligations under the Supply Chain Due Diligence Act (LkSG) and the Whistleblower Protection Act (HinSchG).

2. Scope of application

Who could be the whistleblower?

Reports may be submitted by internal as well as external persons. The whistleblower system is addressed in particular to (former) employees, temporary workers, business partners and their employees, partners and customers.

What kind of reports may be submitted?

Whistleblowers could report substantiated compliance violations. These are justified if actual indications or specific circumstances suggest a compliance violation. A report should always be submitted when whistleblowers acting in good faith believe that the facts reported are true at the time of reporting. In addition, reports could be reported concerning violations of human rights, ecological standards or legal requirements at Otto GmbH & Co. KGaA business partners and in their supply chains.

The following violations at Otto GmbH & Co. KGaA could be the subject of a report:

- Corruption / Conflict of Interest
- Unfair Competition/ Anti-Trust Violation
- Fraud/ Misappropriation/ Embezzlement/ Theft, etc.
- Money Laundering/ Financing of Terrorism
- Data privacy violation
- Violation of Social Standards/ Labour Law
- Other violation of (group) policies/ Applicable law

The following violations at business partners of Otto GmbH & Co. KGaA and in their supply chains may be subject to reporting:

- Violation of human rights, environmental standards and legal requirements at a business partner of the Otto GmbH & Co. KGaA

¹ This publication describes how to deal with both the requirements of the Supply Chain Due Diligence Act (LkSG) and the requirements of the Whistleblower Protection Act (HinSchG). The terms notification (LkSG) and complaint (HinSchG) are used synonymously. For the sake of simplicity, the term *report* is used in this publication. An exception to this are the passages where the content relates exclusively to the Supply Chain Due Diligence Act.

3. Whistleblowing system

Otto GmbH & Co. KGaA offers an internal whistleblowing system to all those who may potentially be whistleblowers. Complaints regarding human rights-related and environmental violations in the supply chain may also be reported through external complaint channels. All reports are followed up with the utmost respect for confidentiality, regardless of the channel through which they are received. The systems are accessible worldwide and no costs are incurred by the whistleblower. States of the European Union also provide their own offices for the submission of reports. Further information is [available](#) from the Federal Office of Justice.

3.1. Internal whistleblowing system

The Otto GmbH & Co. KGaA internal whistleblowing system is the principal mechanism for reporting suspicious cases. It consists of the digital whistleblowing channel [SpeakUp](#), our ombudsperson Ph.D. Rainer Buchert and internal contact persons.

SpeakUp

Our digital whistleblowing channel [SpeakUp](#) is a protected and secure reporting route for the report of substantiated suspicions regarding compliance violations and human rights and environmental violations in the supply chain. SpeakUp is available for use 24 hours a day, worldwide and anonymously as well as guaranteeing the highest level of protection for whistleblowers and sensitive data. Setting up a postbox in SpeakUp even enables an exchange between whistleblowers and Persons entrusted by the company with the conduct of proceedings without the possibility of drawing conclusions about the identity of whistleblowers. The tool is available in several languages. It is operated by a specialised company, EQS Group AG, Karlstr. 47, 80333 München in Germany, on behalf of Otto GmbH & Co. KGaA. The system meets the highest security standards using state-of-the-art, unique encryption algorithms, high-security data centres and manual penetration analysis conducted by independent experts. The web-based system is certified under European data protection law.

The digital whistleblowing channel SpeakUp is accessed via this [link](#).

How does a report process work, how do I set up a postbox in SpeakUp?

You would like to send a named or anonymous report via [SpeakUp](#), then click the "Submit Report" button at the top left of our introductory page.

The reporting process consists of 4 steps:

- First, you will be asked to read an information text for the protection of your anonymity and to answer a security query.
- On the following page, you will be asked about the category of your report.
- On the report page, phrase your information in your own words and select answers to questions about the case. You may use up to 5,000 characters in the free-text field, which corresponds to a full DIN A4 page. You may also attach files up to 5 MB to support your report. Keep in mind that electronic documents may contain information about the author. After submitting your report, you receive a reference number as proof that you submitted this report.

- Finally, you will be asked to set up your own secured mailbox. Via this mailbox, you will receive feedback from us, answer questions and obtain information about the progress of your report.

If you already have a secured mailbox, you can access it directly via the "Login" button. You have to confirm the security query firstly here as well. As long as you do not enter or attach any data that could reveal your identity, the BKMS® System protects your anonymity by means of a certified technical solution. We assure you that we are only interested in the incident you have reported.

How do I get feedback and still remain anonymous?

When setting up your secured mailbox, you choose the pseudonym/username and password yourself. Your report is kept anonymous through encryption and other special security routines. No personal information is requested from you at any point in the reporting process. Do not enter any personal data that allows conclusions to be drawn about your identity. Please do not use a PC for the report which is provided by your employer.

Via the secured mailbox the person entrusted by the company with the conduct of proceedings gives you feedback on what happens to your report or asks questions should any details still be unclear – you also remain anonymous during the dialogue. We are interested in reports to prevent damaging incidents, not in you as the person making the report.

The overriding principle of the BKMS® procedure used here is the protection of whistleblowers. The functionality of the anonymity protection is certified by an independent authority.

Ombudsperson

In addition, any individual is entitled to contact the lawyer Ph.D. Rainer Buchert, the ombudsperson of Otto GmbH & Co. KGaA in suspicious cases. The lawyer's duty of confidentiality, the lawyer's right to refuse to testify and supplementary contractual provisions ensure that the identity of whistleblowers is protected. Reports are only forwarded to the responsible department within Otto GmbH & Co. KGaA with the consent of the whistleblower.

Lawyer Ph.D. Rainer Buchert
Buchert Jacob Partner Rechtsanwälte Partnerschaftsgesellschaft mbB
Kaiserstraße 22
60311 Frankfurt am Main
Germany

Tel.: 0049-69-710 33 33 0 or 06105-92 13 55

Fax: 0049-69-710 34 44 4

Email: dr-buchert@dr-buchert.de

Initial information for whistleblowers: <https://www.ombudsperson-frankfurt.de/en/information/initial-information-for-informants/>

Internal contact persons

Otto GmbH & Co. KGaA employees may also approach those designated internally as contact persons to report suspicious cases.

3.2. External channels of complaint

Complaints regarding human rights-related and environmental violations at suppliers involved in the supply chain for Otto GmbH & Co. KGaA may also be reported via the following two external complaints procedures. Otto GmbH & Co. KGaA participates in these two external complaints procedures in order to provide employees of suppliers in the supply chain in particular with an additional trustworthy, free and, if desired, anonymous complaints channel.

RSC/RMG Sustainability Council (formerly: Bangladesh ACCORD)

The submission of complaints to the RSC office is possible by telephone: +880 176 996 9000

The RSC investigates all complaints it receives concerning occupational safety and forwards complaints concerning issues other than occupational safety to Otto GmbH & Co. KGaA for further processing.

More information on the RSC's complaints procedure is available at this [link](#).

amfori “Speak for Change“

The submission of complaints to amfori is possible by telephone, via an online form or via a chat application. Individual contact options are available under this [link](#).

Further information on amfori's complaints procedure is available at this [link](#).

4. Procedure process

Responsibility

Reports are processed by selected and specially trained Otto GmbH & Co. KGaA employees. All employees responsible for processing act impartially, decide themselves on their actions and the measures to be undertaken, and are bound to secrecy.

Acknowledgement of receipt of the report & establishing contact

The responsible Otto GmbH & Co. KGaA employees confirm receipt of the report within 7 days. Where necessary and if possible, the facts of the case are discussed with the whistleblower.

Preliminary examination

All reports are subjected to a preliminary examination for validity. If necessary, a legal assessment is undertaken. Should the preliminary examination find a violation to be unfounded or determine that no violation has occurred, a report is not pursued further. The whistleblower is notified accordingly.

Information of the Review Board

As the operator of the whistleblower system, the Otto Group respectively Otto GmbH & Co. KGaA is jointly responsible for receiving reports and for initiating follow-up measures. Reports that could have a significant impact on the Otto Group or its Group companies are forwarded to the Otto Group's Review Board. In these cases, the Review Board is responsible, for discussing the further course of action with the responsible employees and for deciding on a central clarification of the facts by the Review Board itself or by the Group Investigation & Prevention Department.

Investigations

Any internal investigation required concerning Otto GmbH & Co. KGaA are generally conducted by the Group Investigation & Prevention department. Reports regarding violations of human rights, environmental standards or legal requirements at Otto GmbH & Co. KGaA business partners and in their supply chains are generally investigated by the Sustainability - Compliance & Policies department. On behalf of the Review Board the Group department Investigation & Prevention can conduct investigations at Group companies of the Otto Group.

If possible, contact with the whistleblower is maintained throughout the investigation. Within three months of confirmation of receipt, whistleblowers receive feedback on planned follow-up measures and those already taken. Feedback will only be provided to the extent that it does not affect internal investigations or audits and does not affect the rights of the persons who are the subject of a report or who are named in the report.

Remedial measures

Should it be established in the course of the processing that a violation of a human rights-related or environmental obligation has already occurred or is imminent in the business division of Otto GmbH & Co. KGaA or at a direct supplier, appropriate remedial measures are undertaken without delay in order to prevent or end this violation or to minimise the extent of the violation.

Closure

Should the internal investigation identify indications of a process weakness or a violation to be sanctioned, follow-up measures are devised. The whistleblower receives verified feedback of the closure of the investigation.

Documentation

The processing of cases is documented confidentially and protected from access in a central system.

5. Principle of fair proceedings

A whistleblowing system or complaints procedure is only effective as far as it is resilient. What is then to be done when employees, business partners, suppliers or customers observe behaviour that seems questionable in terms of compliance? What is crucial in these cases is an atmosphere of trust.

An important pillar of our whistleblowing system is the principle of fair proceedings. It guarantees the greatest possible protection Against disadvantages for whistleblowers, those affected and employees who help to clarify the report misconduct. This also means that we offer opportunities for anonymous communication. We ensure that we do not take any measures to identify anonymous whistleblowers (as long as they do not abuse our whistleblowing system). Investigations are conducted with the utmost confidentiality by proven experts as well as the protection of accused persons – they are presumed innocent until proven otherwise.

Protection of the whistleblower

a) Confidentiality

The confidentiality of the whistleblower's identity is safeguarded by Otto GmbH & Co. KGaA. The identity is known only to the persons responsible for receiving reports or taking follow-up measures and to the

persons assisting them in the performance of these tasks. Should whistleblower disclose their identity, the information is treated confidentially. The processing of personal data is conducted in compliance with the provisions of data protection law.

As a matter of principle, information about the identity of a whistleblower or other circumstances that allow conclusions to be drawn about the identity of this person is not forwarded. Exceptions to the confidentiality requirement arise from respective legal obligations or when the whistleblower expressly requests and permits the disclosure of their identity.

b) Protection against reprisals

Reprisals, i.e. disadvantages or retaliation to the detriment of the whistleblower, are prohibited on condition that the report was reported in good faith. The same applies to the threat or attempt of reprisals. Violations are not tolerated and may themselves become the subject of a report.

Even if no actual proof of a violation could be provided, the protection of the whistleblower is still in effect. Exceptions to the protection of the whistleblower are reports provided with the sole intention of causing harm. Should the intention to cause harm to be clearly verifiable, then such reports may be subject to sanctions.

Protection of the persons affected

The confidentiality of the identity of the persons who are the subject of a report or other persons named in the report is safeguarded by Otto GmbH & Co. KGaA. Exceptions to the confidentiality requirement result from the respective legal obligations. The presumption of innocence applies until a violation is proven. Internal investigations are always conducted on the basis of impartiality.

Data protection

The "Procedure under complaints and whistleblower protection" may require the collection and storage of personal data of the whistleblower and other persons named in the report. Processing is only undertaken to the extent that this data is necessary for the processing of the designated purposes. Compliance with applicable data protection requirements is ensured and statutory retention and erasure time limits are safeguarded.

6. Additional information

Effectiveness review

The effectiveness of the processing is reviewed once a year and on an ad hoc basis.

Applicability

The Rules of Procedure apply to Otto GmbH & Co. KGaA. Otto GmbH & Co. KGaA is part of the Otto Group.

Contact

Should you have any questions about our whistleblowing system or complaints procedure or this document, please contact us by post at

Otto GmbH & Co. KGaA
FI-GC-IP
Werner-Otto-Str. 1-7
22179 Hamburg

or by email at Beschwerdeverfahren@ottogroup.com