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The Karl Dieckhoff GmbH & Co. KG. is committed to operating as a sustainable business which is environmentally sound, respects human rights and ensures fair, safe and healthy working conditions across our supply chain. To support this goal, we have established sustainability policies and practices as well as a code of conduct (Workplace Standards) according to the guidelines of United Nation as well as Partnership of Sustainable Textiles which our suppliers, agents, contractors and other related service providers are expected to follow.

The Complaint Process described below is designed to assist the company itself and the supplier company in meeting its obligations and engaging its stakeholders. It provides a means by which individuals and organizations can respond to potential or actual violations of the Workplace Standards or an international human rights standard associated with the company's activities, products or services. Its process aims to ensure that such complaints are investigated and resolved in a manner which is transparent and fair. Karl Dieckhoff GmbH & Co. KG is committed to search for and investigated the potential or actual violations of the Workplace Standards or an international human rights standard in the whole supply chain within the company or at the place of our supplier. We discuss the identified actual negative impact together with stakeholder and the (potential) affected partier or their represented. We take effective mitigation measures for its identified actual negative impacts together with involved stakeholders through the procedure discussed below. It is also made sure that the remedies selected are commensurate with the severity of the actual negative impact in each case.

### What will constitute a complaint under the process?

A complaint is a report of:

- (a) a violation by a supplier, agent or contractor of an element of the Workplace Standards relevant to that supplier, contractor or service provider; or
- (b) Any breach of an international human rights norm, whether related to an external service provider, supplier or to company's own business operations, where these affect an outside party.

Same complaint mechanism is available in the company's own business practices, in matters of any breach of national laws and/or external and internal regulations. These parallel processes are managed by an internal reporting mechanism to the Top Management.

# • What type of complaint can be made?

The complaint should be factual and evidence-based. This means that the complainant should be able to produce sufficient information to demonstrate the relevance and seriousness of the complaint, that it is a breach of the company's Workplace Standards, or of an international human rights norm, and that there is clear link to our company.

# • Who can complain?

Any individual or organization directly affected by an issue caused by, in or through the Karl Dieckhoff or it partner company, or an organization with a formal mandate to represent individuals or communities directly affected, can make a complaint. They must have access to firsthand

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knowledge of the circumstances of the complaint and if they are an organization, they must be viewed as a legitimate representative of those affected.

#### How can a complaint be made?

Workers with complaints or grievances who work in factories making products for the Karl Dieckhoff GmbH & Co. KG. should either use the internal contact details/ hotlines posted in their workplaces or contact the Karl Dieckhoff GmbH directly under the following given contact details. The complaint hotlines are only operated by selected employee or a member of top management.

We encourage written submissions via email, fax or post. The complaint does not have to be submitted in English, it can be submitted in the individual's or organization's own language. The complaint should be sent to mailed, posted or faxed to:

#### External Contact details:

Internal Contact details (for supplier Firm):

Karl Dieckhoff GmbH & Co. KG In der Fleute 38 42389 Wuppertal Telefon +49(0)202 26080–0 Telefax +49(0)202 26080–96 socialcompliance@dieckhoff-textile.de

# What information is required by the respective company?

The complaint should provide the following basic information:

- Name of the supplier/contractor or employer: the trading name of the company
  providing products or services to the Karl Dieckhoff GmbH & Co. KG. The name of the
  workers' employer, or any sub-contractor is also required.
- Name of production site: including information to allow identification of the specific location of the factory, warehouse, business unit, or activity to which the complaint relates.
- Link with the Dieckhoff's product or service: description of product or service being supplied, with as much detail as possible.
- Alleged breach: the element of the Workplace Standards or human rights norm which has
  or is being breached, a short description of the nature of the breach, any supporting
  evidence, and the date or period when the alleged breach occurred.
- Contact point: name and full contact details of individual or organization making the complaint. If the complaint is being handled on behalf of others, provide the contact details for the originators of the complaint. (for anonym grievance see below)
- Confidentiality: whether the complainant or a party to the complaint must remain anonymous and the reasons for anonymity (see below).



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Ideally, the following additional information should be included. If not provided initially, the respective company will contact the complainant to gather this information and assess whether the complaint should be taken forward:

- The scale of the alleged problem: kk k how many workers or products are involved? How has the community been impacted? Is there immediate physical danger? How serious is the breach to the Workplace Standards or how severe is the adverse impact on the international human rights norm?
- Supporting information: details about where corroborating information can be found.
- Is the grievance being pursued by other means? Has a formal grievance with the employer been lodged, or mediation or arbitration been sought, or a court case been filed? Have other local or international agencies been contacted?
- Has the issue been raised before? Has the issue been the subject of previous complaints? Has the issue been raised with other organizations, for example local government agencies, NGO or trade union?
- What is the preferred solution? What do the complainants want to see happen to remedy the situation?
- Other relevant organizations: any other organization that might have useful information directly relevant to the complaint together with their contact details.
- Local complexities: for example, ethnic, cultural or political issues that will have a bearing on the alleged violation and how it can be investigated.

#### Is the complaint confidential?

We wish all parties to have confidence in the complaint procedures. We therefore deal with complaints in an open and transparent way. Unless there are good reasons not to do so, all information received will be provided to all other parties to the complaint. If there is sensitive information, the preferred course is to agree with all parties on how to deal with this.

In principle, details of individual employees or complainants should be provided. However, the Karl Dieckhoff GmbH & Co. KG. recognizes the risk of retaliation facing workers making complaints about their employment conditions, or individuals raising issues related to human rights violations. In these circumstances it will not disclose the identities of workers to employers to open them up to retaliation, or the names of individuals who may have been subjected to human rights violations, where such disclosure would lead to their likely intimidation or victimization.

Please see our Anti-Retaliation Policy at the end of the complaint mechanism.

## What if the complaint is anonymous?

Ideally, we would like to contact a complainant and verify the details of any allegation, but we do understand that at times, individuals may wish to make an anonymous complaint. Where anonymous complaints are received, the company will investigate and determine whether there are grounds to the complaint. However, in the case of anonymous complaints we will not be able to inform the complainant with the outcome of those investigations, or the actions taken by the



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company. If an individual decides to make an anonymous complaint it is important that the complainant provides as much information as possible to substantiate their complaint.

#### • What will happen when a complaint is made?

The company's preferred general approach to all complaints is based on an initial assessment of the evidence, followed by an in-depth investigation, and the development of appropriate remedial action(s) in the quickest possible timeframe.

#### How quickly will complaints be handled?

It is important that complaints are submitted to the Karl Dieckhoff GmbH & Co. KG. promptly so that breaches of the Standards or any negative human rights impact can be rectified as soon as possible. It will therefore strive to assess complaints and take expedient action. It's difficult to set a predetermined fixed timetable as complaints will vary in scale, complexity and geographical origin but most can be dealt with-in weeks, rather than months.

#### • What will the company do when it receives a complaint?

The respective company will acknowledge receipt of a complaint in writing, or verbally if the complaint was received via a telephone call or in a face-to-face meeting with a complainant. It will then assess whether it can be accepted as a legitimate complaint. To be accepted, the complaint must:

- Relate to an activity by company's business entity or employee, or to a contractor or supplier which is actively involved in the production or supply of products or services.
   Where it relates to a product, it must be at a tier of the supply chain that is traceable directly to the company
- Relate to a breach of the company's Workplace Standards, a breach to a clause in its related guidelines, or a breach of a recognized and codified international human rights norm<sup>1</sup>.
- · Contain sufficient information to enable it to assess the substance of the complaint.

If there is insufficient information provided by the complainant initially, it will ask for additional information or clarification about the nature of the complaint.

It will identify the parties to the complaint. Depending on the nature of the complaint, these parties could include the complainant, the subject of the complaint, rightsholders, workers or others directly affected by the issues raised, groups representing or advocating on behalf of those directly affected, and other actors in the supply chain or in the company's business operations, subsidiaries or associated business entities. The complainant will be informed whether the

<sup>&</sup>lt;sup>1</sup> They include the rights contained in the "International Bill of Human Rights" – meaning the *Universal Declaration* of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, social and Cultural Rights – together with the internationally-recognised rights set out in the International Labour Organization's (ILO) Declaration of Fundamental Principles and Rights at Work.



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complaint has been accepted. If the complaint is not accepted, the reasons will be given to the complainant.

### • Will a complainant have to waive their legal rights?

No. An individual, group or community submitting a complaint are free to pursue their legal rights and access all available judicial mechanisms, in parallel with, or following company's consideration of their complaint. Pursuing such a course of action may in fact be vital if matters of law, or of legal interpretation, are an important element of a complaint.

## What happens if a complaint is accepted for examination?

If the complaint is accepted, all parties will be contacted and briefed on the process. The substance of the complaint and all relevant documents will be examined by the company's concerned department, if it relates directly to our own business operations or the conduct of our own employees. The complaint and its findings will be communicated to the subject of the complaint and their response will be requested. They will be given a defined period of time to respond.

#### How should the subject of the complaint respond?

The subject of the complaint may be a company contracted to supply the Karl Dieckhoff GmbH & Co. KG. with goods or services, or it may relate to one of the company's own operating function. In that case the company's Top management will be immediately informed, as will the head of the relevant department.

The company will immediately mobilize to begin an internal investigation. They will gather information about the complaint, the supplier's or contractor's worksite or the practices of the employer of workers providing services. This information will come from on and off-site interviews and an examination of the contractor's or supplier's own records. The company may also engage with relevant government agencies and other stakeholders from the local communities and civil society. Where appropriate, or when additional expertise is required. An individual, group or community submitting a complaint are free to pursue their legal rights and access all available judicial mechanisms, in parallel with, or following company's consideration of their complaint. Pursuing such a course of action may in fact be vital if matters of law, or of legal interpretation, are an important element of a complaint.

It may choose to commission an external investigation from an independent third party, or use the services of an independent specialist or, appoint an independent ombudsman or mediator to manage the complaint process.

Whatever method is chosen, the key factor is to ensure the process produces information that enables a fully-informed discussion of the complaint, based on the full facts of the case. The Karl Dieckhoff GmbH & Co. KG. will strive for the process and the information-gathering methodology to be transparent and credible. The findings will be shared with all parties, unless there is a strong compelling case for confidentiality.





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#### Resolution at an early stage

It is possible that a complaint is settled early and goes no further. There may be a formal or legal process that can be pursued e.g., an internal grievance procedure, mediation or arbitration process, or labor tribunal or other legal procedure that is applicable. The company will encourage those engagements that are practicable and are likely to lead to a result, rather than setting up a parallel process.

The subject of the complaint may, on the basis of its own investigations, suggest a remedy which is agreeable to the complainants or the affected parties. Equally the complainants may, on the basis of the information provided by the subject, agree that there is no merit in pursuing the complaint.

#### Remedial action

Where the Karl Dieckhoff GmbH & Co. KG. determines that it has caused or directly contributed to a violation it will undertake to cease or change the activity that is responsible, in order to prevent or mitigate the chance of the impact occurring or recurring. If an impact is occurring, it will engage actively in its remediation, either directly or in cooperation with others. It is important to bear in mind the remedial action will be decided on the basis of severity of the (potential) damage of the (potential) affected person.

Where the company is neither causing nor directly contributing to a violation it will encourage the entity that has caused or contributed to the impact to prevent or mitigate its recurrence. The responsible handler of the complaint is obliged to report the result of the investigation with measure taken and status of the remedial action with satisfaction of the (potential) affected person.

In resolving complaints, Karl Dieckhoff GmbH & Co. KG. will be mindful of the law and legal precedence in the country where a complaint arises. It will not assume, nor accept, the legal duties or obligations of other parties who may be the subject of a complaint.

The company cannot adjudicate on legal disputes between parties, nor can it determine cases which require the deliberations and decisions of a court, tribunal or other duly authorized body under national or international law.

#### How will remedial actions be checked?

Depending on the type of remedial action agreed, the parties will seek to reach agreement on how this is to be monitored and checked to ensure that it is implemented within the agreed timescale. The company's sustainability department will normally monitor the implementation of agreed outcomes, or will appoint a credible third party to do so.

# What happens if there is no agreement between the parties?

If there is no agreement within a reasonable period of time, the respective company reserves the right to decide on the outcome of the complaint. It will do this on the basis of the information supplied at all stages of the complaint. It will communicate its decision and the reasons to all



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parties. If the company upholds the complaint, it will institute appropriate action within its contractual rights, if the issue relates to its suppliers, licensees or service providers.

While the company will make every effort to facilitate agreed resolutions to legitimate complaints, and do so in partnership with suppliers, licensees and other business partners or providers, and with the full engagement of other stakeholders, this does not affect the company's contractual or legal rights.

Karl Dieckhoff GmbH & Co. KG. may cease business with the subject of the complaint in accordance with the terms of the relevant contract or agreement.

#### How will complaints be communicated publicly?

At the conclusion of the complaint, the company will write a short summary of the complaint and the outcome and share this with the affected parties.

The company will communicate the information to Partnership for sustainable Textiles, how many third-party complaints it has received related to violations of labor/ human rights as well as environment protection and the status of those complaints (i.e. being investigated, successfully resolved, etc.).

The specific details of the complaints or the parties to the complaint will not be disclosed, unless both the complainant and the subject of the complaint have agreed that this to be made public. The Karl Dieckhoff GmbH & Co. KG. will not disclose detailed information on any complaint, where it involves or could affect an ongoing legal case. However, in those cases where an independent third party is retained to investigate a complaint, the terms of their appointment may require that they publicly report their findings and recommended actions, thereby ensuring credibility and transparency.

## What happens if any party is unhappy with the way the complaint has been handled?

In the first instance, the party should raise the issue with company's quality and sustainability department. Which will review the case and communicate the information to the Top Management for a final decision.

If the complainant is still dissatisfied with the outcome of their complaint and the actions taken by the Karl Dieckhoff GmbH & Co. KG., then they do have recourse to available judicial processes or other independent complaint processes, as detailed below.

#### Other forms of redress

National Contact Points – The Karl Dieckhoff GmbH & Co. KG., as a company headquartered in Germany, is committed to uphold the OECD Guidelines for Multinational Corporations. An English language version can be downloaded here:

http://www.oecd.org/daf/inv/mne/48004323.pdf.





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The Guidelines, which were updated in 2011, include recommendations for responsible business conduct with respect to human rights, environment, as well as other topics.

The OECD Guidelines are supported by a unique implementation mechanism known as National Contact Points (NCPs), agencies established by adhering governments to promote and implement the Guidelines. The NCPs assist enterprises and their stakeholders to take appropriate measures to further the implementation of the Guidelines and act as a mediation and conciliation platform for resolving practical issues that may arise. Where there is evidence that a business has failed to live up to the voluntary principles set forth in the OECD Guidelines, a complaint can be filed with the National Contact Point. The relevant contact point for Germany is:

Federal Ministry of Economy and Technology

National Contact Point

Referat VC3

Scharnhorststr. 34-37 10115 Berlin Germany

Tel: (49-30) 2014 75 21 Fax: (49-30) 2014 50 5378

Email: oecd-nks@bmwi.bund.de or buero-vc3@bmwi.bund.de.

Web: http://www.bmwi.de/EN/Topics/Foreign-trade/oecd-guidelines-for-

multinationalenterprises, did=430734.html

FLA's Third Party Complaint Process – The FLA is a non-profit collaborative effort of universities, civil society organizations, and socially responsible companies which promotes adherence to international and national labor laws. The FLA's Third Party Complaint Process was established as a safeguard for any person, group or organization to report serious violations of workers' rights in facilities used by any company that has committed to the FLA's Code of Conduct and Responsible Sourcing Practices. This process is not intended to replace or undermine existing internal grievance channels in a factory, or legal remedies available at a country level. Rather, the complaint process is intended as a tool of last resort when other channels have failed to protect workers' rights. For more information on the FLA's Third Party Complaint Process please go to:

http://www.fairlabor.org/transparency/complaints-investigations

Amfori External Grievance Mechanism - The Amfori External Grievance Mechanism provides a platform for individuals or organizations to submit grievances, about perceived or real instances of wrong or unfair treatment. All grievances will be reviewed by the Amfori secretariat, who will seek to find a fair, timely and objective resolution. Grievances can be lodged by any individual or organization that is relevant to Amfori, meaning individuals from Amfori members or their business Erstellt:03.04.2023/JKH \(\text{NYTSERVER\QM-Handbuch\QM\02-Formulare\FB\_Beschwerdeverfahren\_Complain Process\_ENG}\)



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partners, service providers or stakeholders, including those with a formal mandate to represent individuals or communities directly affected by Amfori activities and operations. The grievant should be able to provide information that is:

- Related to Amfori services, their members and/or services providers and
- Factual and evidence-based

Grievances should be lodged using the amfori's online grievance form with link given below. Communication, including supporting documents, should be in English. To follow up on the status of your grievance or submit any queries, please send an email to grievance@amfori.org

https://www.amfori.org/content/amfori-external-grievance-mechanism-form

#### Anti-Retaliation Policy - Karl Dieckhoff GmbH & Co. KG.

In executing our anti-retaliation policy, our central concern will always be to safeguard the rights and wellbeing of any person who has lodged, in good faith, a grievance with the Karl Dieckhoff GmbH & Co. KG.

If a person or organization believes that they have been subject of retaliation as a result of registering a complaint with the company, they should contact us immediately and provide the specific details of what has occurred. We will investigate and if there is clear evidence of retaliation against them, we will take action to remedy the situation. This may require, for example, the issuing of a warning letter to a business partner, if it is found that they have retaliated against a worker, or a worker representative, for disclosing workplace issues, or it may demand the intervention of government, when a legal or administrative remedy is required.

As retaliation can take many forms (loss of job, demotion, involuntary transfer, harassment, intimidation, etc.) we will deal with each incidence on a case-by-case basis and look for tailored solutions.

Date: 28.04.2023

p.p.a. Ralf Höhner

Management (Production/ Human Resources)

Karl Dieckhoff GmbH & Co. KG

In the Fleute 38,

42389, Wuppertal.

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