



Version 1.0, Status: 12/23

# **THE PROCEDURAL RULES OF THE STRAUSS GROUP**

ACCORDING TO § 8 (2) OF THE SUPPLY CHAIN DUE DILIGENCE ACT (LKSG)

## Table of Contents

1. Introduction .....	2
2. Purpose and Objective of the Complaints Procedure .....	2
3. Types of Reports Covered by the Complaints Procedure.....	2
4. Who Can File Complaints or Report Concerns? .....	3
5. Ways of Submitting Complaints .....	3
6. Procedure of Complaint Handling .....	4
a) Digital Whistleblower System on Strauss's Website .....	4
b) Fair Wear Complaint Procedure.....	5
c) Value Protection Tool .....	5
7. Objective, Impartial, and Independent Handling of Complaints or Reports .....	6
8. Confidentiality in the Complaint Procedure .....	6
9. Protection Against Retaliation for Whistleblowers .....	6



## 1. Introduction

Strauss is a family-owned company. The traits that defined the nuclear family for more than a century now extend to our global extended family of several thousand individuals. We consider it our responsibility to respect and promote human rights and environmental standards throughout the value chain.

Strauss explicitly encourages all individuals - whether employees or external parties - to approach Strauss regarding risks or even violations of human rights or the environment. This approach enables Strauss to best address and eliminate or minimise risks to human rights and the environment.

## 2. Purpose and Objective of the Complaints Procedure

- Strauss's (three-stage) complaint procedure allows any individual to confidentially report information about risks or violations of human rights or environmental obligations within Strauss' supply chain through the channels listed below (Clause 6a - 6c). These are secure channels for transmitting such observations and information.
- Reports made in good faith help Strauss to identify, at any early stage, risks to human rights and the environment within the supply chain, preventing their occurrence or permanently addressing existing violations. Strauss explicitly requests the reporting of such observations.

## 3. Types of Reports Covered by the Complaints Procedure

- The complaints procedure can cover reports of risks or violations related to human rights or environmental obligations across the entire upstream and downstream supply chain of Strauss.
- This not only includes risks and violations within Strauss' companies and locations but also within the companies/locations/production facilities/offices of all suppliers/service providers/partners of Strauss.
- Strauss explicitly requests individuals to report such observations and perceptions related to potential risks and violations of human rights and environmental concerns. When reporting, please provide all available details, including relevant data, locations, involved individuals and companies, and potential witnesses.
- Strauss' complaint channels can be used to report human rights risks regarding the following topics:
  - Violations of the prohibition of child labour, forced labour, and all forms of slavery
  - Disregard for occupational health and safety hazards
  - Disregard for coalition and association freedom and the right to collective bargaining



- Violation of the prohibition of discrimination in employment and withholding of adequate wages
  - Destruction of natural habitats due to environmental pollution
  - Unlawful violation of land rights
  - Violation of the prohibition of engaging or using private/public security forces that, due to lack of training or control, can lead to impairments
  - Fundamental violations of the prohibition of actions or omissions that may directly and severely affect the aforementioned human rights.
- Examples of environmental risks that can and should be reported include violations
    - Resulting from the Minamata Convention, which regulates the handling of mercury;
    - Prohibition of the production and/or use of persistent organic pollutants (POPs) and improper handling of waste containing POP;
    - Prohibition of the import and export of hazardous wastes in line with the Basel Convention.

#### 4. Who Can File Complaints or Report Concerns?

- Reports can be made by any individual, including employed personnel of Strauss (e.g., permanent employees, temporary workers, interns, etc.) and external parties (e.g., employees of a supplier).
- The reporting persons need not be personally affected by any of the risks or violations described under Clause 3. Third parties such as journalists or residents near operating facilities can also make reports.

#### 5. Ways of Submitting Complaints

Reports can generally be submitted through the following channels:

- Digital whistleblower system on the Strauss website: [https://www.strauss.de/en/Sustainability/Overlay/whistleblowing\\_channel](https://www.strauss.de/en/Sustainability/Overlay/whistleblowing_channel)
- Employees of immediate textile suppliers of Strauss can use the Fair Wear complaint channel.
- Strauss employees can also use the "Value Protection Tool" through the company's employee app (BIRD)



## 6. Procedure of Complaint Handling

1. Receipt of the complaint or report	2. Assessment of the complaint or report	3. Clarification of the matter	4. Developing a solution with the reporting person	5. Remedial measures	6. Review and closure
---------------------------------------	--	--------------------------------	--	----------------------	-----------------------

### a) Digital Whistleblower System on Strauss's Website

#### Process step 1: Receipt of the complaint or report

You can access our complaint procedure ([https://www.strauss.de/en/Sustainability/Overlay/whistleblowing\\_channel](https://www.strauss.de/en/Sustainability/Overlay/whistleblowing_channel)) through the Sustainability section on our website with just two clicks by clicking on "WHILSTLEBLOWING CHANNEL". Here, you can then click on the "TO THE PORTAL" button to submit an anonymous report via our "Report a Concern" portal. You'll be asked to describe your report in detail and can upload various file formats (e.g., images, videos, voice messages, or PDF documents) to support your report. After confirming that all information is correct, you can submit the report by clicking "Submit". No internal connection logs with IP addresses are generated, ensuring no information connects your PC with our complaint portal. Upon submission, you'll receive a 16-digit code to track your report and can also use this code to supplement your report later.

Alternatively, you can directly contact our Ombudsman, Attorney Dr. Florian Modlinger, by e-mail at [reports@rae-modlinger.de](mailto:reports@rae-modlinger.de).

Regardless of the chosen channel, you will receive confirmation of the receipt of your report.

#### Process step 2: Assessment of the complaint or report

The report is initially processed on a secure server managed by our Ombudsman. Subsequently, the Ombudsman conducts an initial evaluation of the report based on criteria relevant to human rights and environmental risks. They then forward it to specific knowledgeable individuals at Strauss, depending on the nature of the violation and the incident's location.

#### Process step 3: Clarification of the matter

Strauss will investigate and further clarify the situation, often seeking additional information on the reported matter. Therefore, it's advisable to regularly check your report using your unique code to see if there are any updates. You might be asked if you're willing to discuss your concern with someone at Strauss while maintaining your anonymity. If you agree, Strauss will schedule a meeting with you.



#### **Process step 4: Developing a solution with the reporting individual**

Based on the comprehensive report, a proposed solution will be devised. Once the matter is resolved, you'll be notified of the outcome through the chosen channel.

#### **Process step 5: Remedial measures**

If necessary, measures to address the situation will be promptly implemented. Strauss or an authorised organisation appointed by Strauss will oversee these measures.

#### **Process step 6: Review of the measures and closure of the procedure**

The implementation of the corrective measure will be internally reviewed and evaluated within a reasonable timeframe. You will receive notification of the review outcome via your chosen channel. The procedure concludes when the violation within Strauss's area or the identified risk related to an immediate supplier is resolved or minimized.

### **b) Fair Wear Complaint Procedure**

Strauss, in collaboration with the Fair Wear Foundation, has implemented a complaint procedure at the respective production facilities of its immediate textile suppliers for many years. The Fair Wear Complaints Procedure can be downloaded here [here](#).

The procedure operates as follows:

A Fair Wear information sheet is displayed at the respective production facilities, informing workers of their rights and containing contact details of local Fair Wear contacts. Employees at these facilities also receive on-site training regarding the complaints process. Received complaints are promptly reviewed by the Fair Wear Foundation, forwarded to Strauss, and appropriate actions for each case are discussed. Strauss engages in a dialogue with the production partner's management and communicates the devised measures, regularly assessing their effectiveness. The Fair Wear Foundation also reviews the implemented measures and, like Strauss in its social report, anonymously publishes them for public transparency while safeguarding the anonymity of those affected [here](#).

### **c) Value Protection Tool**

The Value Protection Tool helps Strauss comply with whistleblower protection laws and the LkSG (within its business scope). Employees can anonymously submit reports via the employee app (BIRD) similar to the LkSG complaint procedure on the website. After submitting a report, whistleblowers receive a 16-digit code to track their report's progress.

Alternatively, Strauss employees can directly contact our Ombudsman, Attorney Dr. Florian Modlinger, via mail at [strauss.valueprotection@rae-modlinger.de](mailto:strauss.valueprotection@rae-modlinger.de) to submit their reports and concerns non-anonymously.



#### Timeline:

Strauss works as efficiently as possible to investigate and resolve issues. Each investigation and remedial action varies, hence the individual timeframes. However, Strauss aims to promptly address all matters, prioritising reports based on risk and severity. Regardless, whistleblowers will receive substantive feedback within three months of submitting a complaint. If the assessment takes longer than three months, regular updates will be provided every three months. The effectiveness of the complaints procedure is reviewed at least annually and as needed.

### **7. Objective, Impartial, and Independent Handling of Complaints or Reports**

Cases are handled objectively and impartially. Access to information is restricted to individuals who require it for case resolution purposes.

### **8. Confidentiality in the Complaint Procedure**

- Your identity as a whistleblower will be kept confidential according to the LkSG. This remains true even if the suspicion turns out to be unfounded. You can choose to remain anonymous throughout the process if you wish.
- All complaint channels - except contacting our Ombudsman by e-mail - are confidential channels to ask questions or report actual or potential risks and violations of human rights and environmental obligations or misconduct.

### **9. Protection Against Retaliation for Whistleblowers**

Strauss does not tolerate any form of retaliation (especially discrimination, punishments, or employment-related actions) against individuals who, in good faith, report concerns/observations or participate in subsequent investigations, even if the concerns ultimately prove unfounded.

Strauss urges all potential whistleblowers to conscientiously bring forth any concerns and complaints so that Strauss can fulfil its responsibility to protect people and the environment in its supply chain.