

Rules of Procedure on the Complaints Procedure Under the German Supply Chain Due Diligence Act

The BUTTING Group¹ is convinced that sustainable business practices can only be implemented through ethical, compliant and fair conduct. In particular, the BUTTING Group assumes responsibility for respecting and strengthening internationally recognized human rights and environmental protection within its own business areas as well as appropriate management within its supply chains. The BUTTING Group implements all requirements of the German Supply Chain Due Diligence Act (LkSG) for the fulfillment of human rights and environmental due diligence obligations and complies with the implementation within its own business areas and by its business partners.

A key element of the due diligence obligations under the LkSG is the establishment of an effective complaints procedure that can be used to report human rights and environmental risks as well as violations of human rights or environmental obligations. The BUTTING Group's complaints procedure is an important part of upholding our corporate values and commitments and serves to identify and remedy potential grievances.

These rules of procedure describe generally applicable principles for processing complaints of potential shortcomings of the BUTTING Group and the associated supply chains in our complaints procedure. They are binding for the employees involved in this procedure. In principle, the processes described in these rules of procedure apply.

¹ The companies included in the list in section 1 are referred to as the BUTTING-Group.

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1. To which companies of the BUTTING Group do the Rules of Procedure apply?

- BUTTING Gruppe GmbH & Co. KG
- H. BUTTING GmbH & Co. KG
- BUTTING Anlagenbau GmbH & Co. KG
- BUTTING Brazil
- BUTTING Canada
- BUTTING China
- BUTTING CryoTech GmbH
- BUTTING Einkaufsgesellschaft mbH
- BUTTING IT Solutions GmbH
- BUTTING Könnern GmbH
- BUTTING Plant Engineering GmbH
- BUTTING Technical Sales GmbH
- BUTTING USA
- Hillger NDT GmbH
- Pre Pipe Oy
- Textoris Apparate- und Rohrleitungsbau GmbH

2. What is the aim of the complaints procedure?

As an “early warning system”, the complaints procedure is intended to give any person or group of persons the opportunity to submit LkSG-relevant information to the BUTTING Group. The aim is to draw attention to human rights and environmental risks. This enables individuals and groups of individuals to report suspected violations of the law. In this way, we can immediately avert or minimize potential damage.

The BUTTING Group's complaints procedure is used to receive, and process reports of potential violations of rules or shortcomings at the BUTTING Group

and in the associated supply chains. However, the complaints procedure does not process general inquiries or feedback. Such concerns should be addressed to the regular communication channels.

BUTTING's whistleblower system is part of the compliance department. This is where both the internal and external reporting channels are operated and the processing of reports on potential breaches of rules by employees of the BUTTING Group and via business partners along the supply chain is ensured.

3. Who can use the complaints procedure?

Any person, whether internal or external to the company, from Germany or abroad, directly or indirectly affected, can report complaints. This includes, for example

- Employees of the BUTTING Group
- Employees of direct and indirect suppliers
- Business partners, e.g. customers
- Trade unions, non-governmental organizations
- Other third parties, e.g. residents of local sites

4. What types of information can be reported via the complaints procedure?

Any potential grievance in the company or along the supply chain can be reported through the complaint mechanism.

Potential human rights risks and violations that could be the subject of the complaint's procedure may focus in particular on the areas listed below:

- Indications of violations by employees of the BUTTING Group of applicable law (laws, regulations, etc., in particular those mentioned in Section 2 (2) of the Whistleblower Protection Act or EU Directive 2019/1937) or internal company regulations (particularly violations of the Code of Conduct)

- Information on violations of applicable law or the Code of Conduct for Suppliers of the BUTTING Group by business partners
- Indications of other possible violations of applicable laws, legal ordinances, other government regulations or directly applicable legal acts of the European Union (including such violations of rules of direct suppliers of the BUTTING Group) that can be attributed to the BUTTING Group.
- Possible human rights and environmental risks attributable to the BUTTING Group or its direct or indirect suppliers as well as violations of human rights and environmental obligations under the Supply Chain Due Diligence Act (LkSG)
- Other potentially abusive behavior by the BUTTING-Group or one of our suppliers

5. Which reporting channels can be used to submit reports?

Information regarding human rights and environmental risks or breaches of duty in the BUTTING Group's own business area and along our supply chain can be reported free of charge via the reporting channels listed below:

- Direct contact by e-mail to compliance@butting.de
- Post. Hagen Lindenschmidt
BUTTING Group
Gifhorner Straße 59 in 29379 Knesebeck
- Online form: Information can be entered directly online using the form. The data is sent directly to the internal whistleblowing office and is only available to this office. Whistleblowers can remain anonymous if they wish and if it is legally possible.

Link: [Whistleblowing-System - BUTTING](#)

Reports can be made in German, English and Portuguese via the online reporting channel.

Detailed information on the listed reporting channels is available on the BUTTING website in the Whistleblower System - BUTTING navigation

6. Who processes the reports within the BUTTING-Group?

The BUTTING-Group ensures that complaints are processed by responsibly selected and specially trained employees. All these employees are impartial, independent, not bound by instructions and sworn to secrecy.

7. What information should be included in a report?

With the following voluntary information, the person making the complaint supports the BUTTING Group in the effective processing of the complaint:

- What happened?
Concrete description of the incident and context - the more detailed, the better (documents, photos, videos and possible witnesses that prove the possible incident/violation)
- Who is involved or affected?
(Name and/or position of the employee or business partner)
- Where did it happen?
(country, location, department, production facility)
- When did it happen?
(Date, time, time frame, duration, frequency)
- Has anyone been informed or who is aware of the violation?
The above information facilitates and accelerates the proper processing of a complaint. The list is therefore an aid in formulating a complaint. However, it is not a prerequisite for processing that a complaint contains information on all the points above.

8. How does the complaints procedure work?

- Receipt of the tip-off:

Once the whistleblowing alert has been received, the whistleblower will receive an acknowledgement of receipt within seven days. The whistleblower will be informed, among other things, that the BUTTING Group will, if desired, be in contact with the whistleblower throughout the entire procedure. This is always done in consideration of the legally protected interests of other people and companies (e.g. data protection requirements, confidentiality obligations). The receipt and confirmation of receipt are documented within the company.

- Review of the notification in accordance with LkSG:

Once the report has been received, an assessment is made as to whether the report concerns human rights or environmental risk or a breach of human rights or environmental obligations. It is also determined which company or business partner of the BUTTING Group is affected by the report. The report is then passed on to the responsible office within the BUTTING Group. If the report is rejected, the person making the report will be informed, stating the reasons. The complaint procedure will only be rejected in certain cases. Among other things, if, after consultation with the whistleblower, there are no sufficient indications of suspected breaches of regulations or relevant risks within the meaning of the LkSG or if further processing of the matter would be legally inadmissible.

- Communication to clarify the facts:

If the report is followed up, the facts of the case will be clarified. This generally takes place within three months. The whistleblower will be informed if it will take longer than three months to resolve the matter. The aim of the BUTTING Group is to determine whether a violation of human rights or environmental concerns has occurred or is imminent. In the event of queries regarding the clarification of the facts, the reporting person will be contacted, if necessary, given that they have provided a contact option.

- Confirmation of the facts:

Once the investigation of the matter has been completed, a report is drawn up and the whistleblower is informed that the matter has been processed. This requires the whistleblower to provide a contact option.

- Initiation of corrective measures:

If the report is confirmed, corrective measures are initiated immediately. When determining the remedial and preventive measures, the expectations of the whistleblower in particular must be taken into account.

- Implementation and review of the effectiveness of the measures:

Subsequently, the Sustainability & Compliance Team will check whether the remedial measures have been successfully implemented.

- Complaint finally processed, communication at the end of the complaints procedure:

The results of the procedure are finally communicated to the whistleblower. This happens regardless of whether the identity of the whistleblower is known or whether an e-mail address created specifically for the report was used.

The duration of the procedure depends on the scope and complexity of the complaint. Complaints are given high priority during processing. The complaint is investigated swiftly and without culpable delay by the company. The processing time is highly case-dependent and can take anywhere from a few days to several months. The BUTTING Group always endeavors to bring the complaints procedure to a prompt conclusion.

9. How is the protection of whistleblowers ensured?

An essential part of the BUTTING Group's complaints procedure is the protection of the whistleblower against discrimination or reprisals. For this reason, the BUTTING Group conducts investigations in a way that protects the identity of the whistleblower. The whistleblower does not have to fear any negative

consequences if the tip-off was made in good faith, even if the suspicion is not substantiated. The measures listed below are intended to ensure the protection of the whistleblower.

- *Ensuring the confidentiality of the complaints procedure:*

Employees who are entrusted with the processing of complaints shall treat the information obtained, including the identity of the whistleblower, confidentially. Maintaining confidentiality is an essential procedural principle at BUTTING and is observed throughout the entire process. Unauthorized employees are denied access to the complaints mechanism.

- *Protection of the whistleblower against reprisals and discrimination:*

Any form of discrimination, disadvantage, hostility and intimidation towards the whistleblower is prohibited by the BUTTING-Group. It is strictly forbidden to take retaliatory measures against the whistleblower and/or their employees. If there are indications of such inadmissible behavior, this will be investigated accordingly and sanctioned if necessary.

It is not permitted to obstruct investigations, in particular to influence witnesses or to suppress or manipulate documents or other evidence.

The BUTTING Group protects the whistleblower and persons who participate in investigations to the best of their knowledge and belief against discrimination and reprisals as far as we are able to.

- *Impartiality of those responsible:*

The four-eyes principle and the professional independence of instructions guarantee that the people entrusted with the complaints procedure are impartial.

10. What other principles apply to the complaints procedure?

In addition to the protection of the whistleblower, the following principles apply to the complaints procedure at the BUTTING Group:

- *Presumption of innocence, impartial action:*
The BUTTING Group processes reports neutrally and objectively, taking into account the presumption of innocence. All employees who process the reports are independent of instructions and act impartially.
- *Fair procedure:*
At the BUTTING Group, reports are processed strictly in accordance with the principle of fair procedure. The person providing the information and the people affected by the matter are always treated fairly and respectfully.
- *Need-to-know principle:*
Within the BUTTING Group, information about the report and its processing, as well as about the people concerned, is only shared with those employees who absolutely need the information to process the report.
- *Data protection:*
The complaint will be investigated in accordance with the provisions of the General Data Protection Regulation (GDPR), which cover the storage and deletion of data and the regulations for international data transfers.

The BUTTING Group's complaints procedure described here, complies with the legal requirements for a whistleblower system in accordance with the Whistleblower Protection Act and EU Directive 2019/1937.



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For ease of reference and ease of readability, gender references include all genders.