

Publicly available PROCEDURAL RULES of Netto ApS & Co. KG and Netto Deutschland GmbH concerning the investigation of potential compliance breaches

1. Preamble

Netto ApS & Co. KG and Netto Deutschland GmbH (hereinafter collectively referred to as “**Netto Deutschland**”) have established a complaints procedure in the form of an internal reporting office to receive reports regarding the investigation of potential compliance breaches. This reporting office has been outsourced to the law firm Heuking Kühn Lüer Wojtek (“**outsourced internal reporting office**”). This outsourced internal reporting office is intended for the reporting of risks and breaches of duty arising from the commercial activities of Netto Deutschland within its own business area or from the actions of a direct supplier to Netto Deutschland.

The outsourced internal reporting office forms part of Netto Deutschland’s compliance management system. It helps to identify human rights and environmental risks and violations in Netto Deutschland’s supply chain, as well as labour-related breaches and misconduct at an early stage (early warning system) and is intended to protect those affected from harm and disadvantage (access to appropriate remedies).

The system is designed to prevent potential harm to those affected and to reduce legal and economic risks for the company. Incoming reports are examined confidentially, impartially and objectively. This ensures that all necessary measures are carefully assessed and implemented.

The reporting system enhances transparency and builds trust among employees, business partners and other stakeholders in the company’s processes. At the same time, it ensures the protection of whistleblowers and affected individuals from any disadvantage arising from a report.

Netto Deutschland’s reporting system complies with the legal requirements of the Supply Chain Due Diligence Act, the Whistleblower Protection Act and other relevant regulations and laws (such as the General Data Protection Regulation). These rules of procedure describe the reporting channels, responsibilities and the procedure in detail.

2. Whistleblowers

Reports may be submitted by any person who, in the course of a company's business, has become aware of breaches of the law, breaches of Netto Deutschland's internal guidelines and/or the Code of Conduct of the parent company (Salling Group A/S) (whistleblowers).

This includes, in particular, affected individuals as well as those who are affected by or have suffered harm as a result of such risks or breaches of duty. This includes, amongst others, employees (including staff, trainees, agency workers and persons in a quasi-employee relationship).

In addition, third parties who have or had a professional or other relationship with the company may also submit reports, such as freelancers, contractors, suppliers, business partners or customers.

External persons without (or without a current) contractual or business relationship may also submit reports, provided they have gained knowledge of relevant facts.

3. Content of whistleblower reports

The whistleblowing system can be used to report any matters that fall within the scope of the Supply Chain Due Diligence Act (LkSG) and other relevant legislation, which serve to identify, investigate, prevent, minimise or remedy serious risks and breaches.

This includes reports regarding:

a) White-collar crime and compliance breaches

- Theft and embezzlement
- Breach of trust, fraud and forgery
- Corruption and bribery, acceptance of improper advantages
- Breaches of competition law and unfair competition
- Breaches relating to conflicts of interest
- Disclosure of confidential information

- Breaches of data protection regulations
- Breaches of quality and safety guidelines
- Other breaches that may result in significant financial or reputational damage

b) Human rights risks and breaches of duty

Human rights risks are situations in which, due to actual circumstances, there is a reasonable likelihood of a breach of protected human rights prohibitions. These include, in particular:

- Child labour
- Forced labour and all forms of slavery
- Failure to comply with occupational health and safety obligations
- Restriction or violation of freedom of association
- Discrimination or unequal treatment in employment
- Withholding of fair wages
- Unlawful eviction or the unlawful seizure of land, forests or water bodies, the use of which secures people's livelihoods
- Engaging or utilising private or public security forces where this results in a breach of statutory prohibitions
- Other acts or omissions that are likely to impair protected legal positions in a particularly serious manner and whose unlawfulness is evident

A breach of a human rights-related duty occurs when any of these prohibitions is violated.

c) Environmental risks and breaches of duty

Environmental risks exist where there is a reasonable likelihood of a breach of environmental prohibitions, in particular:

- Unauthorised manufacture or use of mercury or mercury-containing products
- Unauthorised production or use of chemicals
- Environmentally unsound handling, collection, storage or disposal of waste
- Unauthorised import or export of hazardous waste
- Environmental damage (e.g. soil contamination, water pollution, air pollution, harmful noise emissions or excessive water consumption), where this
 - significantly impairing the natural foundations of food production,
 - hindering or destroying access to sanitation facilities, or
 - causing harm to human health

A breach of an environmental obligation constitutes a violation of one of the prohibitions.

d) Work-related breaches and misconduct

- Discrimination, bullying or sexual harassment
- Breaches of labour law or health and safety regulations
- Serious misconduct by supervisors or team members

The scope of application also covers all whistleblower reports that facilitate the resolution of disputes and the settlement of claims by affected parties.

A well-founded suspicion – that is, sufficient factual indications that a corresponding breach has been or is to be committed, or that a corresponding risk has arisen or is likely to arise – **is sufficient for a whistleblower report.**

Whistleblowers who are unsure may contact the reporting office at any time for further information.

4. How to get in contact

Whistleblowers have the possibility to submit whistleblower reports in the following ways:

a) Reporting Office

Netto Deutschland has assigned the tasks of an outsourced internal Reporting Office to the law firm Heuking Kühn Lüer Wojtek.

It can be reached by whistleblowers under the following contact details:

Dr André-M. Szesny, LL.M. Attorney at Law
Heuking Kühn Lüer Wojtek
Georg-Glock-Straße 4
DE-40474 Düsseldorf
Email: a.szesny@heuking.de
Telephone: +49 (0) 211 60055 217
Fax: +49 (0) 211 60055 210

The reported information will be recorded and processed by experienced lawyers at Heuking Kühn Lüer Wojtek and then forwarded in a legally compliant manner to the office of the Netto Deutschland responsible for whistleblower reports.

b) Reporting channels

The whistleblower report can be submitted to the Reporting Office under the contact details given above

- electronically, using the web form on the website <https://whistleblowersoftware.com/secure/Netto-DE>
- by telephone,
- by email,
- by fax,
- by post,
- or in person.

c) Communication and dispute resolution

The internal reporting office, which has been outsourced to Heuking Kühn Lüer Wojtek, is available to the whistleblower via the reporting channels for any queries and to discuss the reported matter with experienced lawyers. The whistleblower is also expressly reminded of this option in the confirmation email.

If the whistleblower has provided contact details and agreed to be contacted, there is an opportunity for mutual enquiries and consultation regarding the reported matter and the status of the whistleblower report, as well as for the purpose of dispute resolution.

5. Confidentiality

The confidentiality of all reports and the associated data is guaranteed throughout the entire process. This applies in particular to the identity and personal data of the person making the report, as well as to the individuals concerned by the report.

Access to and processing of incoming reports is restricted exclusively to pre-designated, authorised persons who are bound by confidentiality. The data is protected against unauthorised access and is not, as a rule, disclosed to third parties.

Where necessary for proper processing, reports may be forwarded within the company or to the relevant organisational units. Furthermore, the company may involve external bodies bound by confidentiality (e.g. legal or audit advisers) as well as service providers bound by instructions in the course of investigations and for the purpose of asserting, exercising or defending legal claims.

Personal data will only be disclosed to authorities, courts or other third parties where there is a legal obligation to do so or where this is necessary for the pursuit or defence of legal claims. Where legally permissible, the whistleblower will be informed prior to such disclosure, unless this would jeopardise an official or judicial investigation.

Reports may also be submitted anonymously.

6. Acting impartially

All persons with knowledge of the whistleblower report or the investigation into the matter shall act impartially when processing the report. In particular, they shall act independently and without being influenced by Netto Deutschland and shall not be bound by any instructions from Netto Deutschland regarding their activities in connection with the whistleblowing office.

7. Whistleblower processing and follow-up actions

Once the whistleblower report has been received by the reporting office, it is recorded and processed. Where appropriate, follow-up measures (preventive and remedial measures) are initiated following an assessment of the report.

The procedure following receipt of a whistleblower report by the reporting office generally involves the following steps:

a) Confirmation of receipt and review of the report

The whistleblower will receive confirmation of receipt from the reporting office without delay, and at the latest within seven days of the reporting office receiving their report, provided they have provided contact details for a response as part of their report. The acknowledgement of receipt shall, amongst other things, confirm the personal details provided by the whistleblower and the facts of the case as reported.

If the reporting office has drawn up a record of the contents of a (verbal) whistleblower report, the whistleblower shall also be given the opportunity by the reporting office to review the record, correct it if necessary, and confirm it with their signature or in electronic form, provided that they have provided contact details for feedback as part of their whistleblower report.

If the whistleblower does not provide any contact details as part of their whistleblower report, neither the acknowledgement of receipt nor the review of the record can take place.

b) Filtering and management

Upon receipt of a report, the reporting office assesses the facts for validity, credibility and relevance. Further processing takes place only to the extent that this is legally permissible

and necessary; to this end, the report is evaluated in particular with regard to its classification as a compliance breach.

Reports that are incomprehensible or manifestly unfounded are not investigated further. In such cases, only an anonymised note is created. If there is a means of contact, the reporting person is informed of the decision.

If there is a means of contact and consent to communicate, the reporting office may ask questions or request additional information in order to clarify the facts and enable further investigation.

c) Report

Once the investigation has been completed, the reporting office will draw up a report – in anonymised form where appropriate – containing the information permitted under data protection law and relevant to the matter, and will forward this to the relevant internal departments (in particular the Human Resources and Legal departments and, where applicable, the works council).

These bodies are responsible for the further confidential and legally compliant processing of the matter, as well as for follow-up measures. Information will only be disclosed to other internal bodies or third parties (for example, to carry out follow-up measures) to the extent permitted by law, following prior review and with confidentiality ensured. All persons involved are accordingly bound to maintain confidentiality.

d) Follow-up measures

The competent body shall examine the reported facts for validity, credibility and the permissibility of further data processing.

If there is reasonable suspicion of a compliance breach, appropriate investigative and follow-up measures will be initiated in accordance with legal requirements. The competent bodies within the company will decide on the nature and scope of these measures, in consultation with the reporting office where necessary.

- Follow-up measures may include, amongst other things:
- (Further) contact with the reporting person

- Conducting internal investigations within the company's own business unit or at the suppliers concerned or the relevant organisational unit, where necessary through a commissioned body (e.g. a law firm)
- Contacting affected individuals and work units
- Referring the whistleblower to another (competent) body
- Closing the proceedings
- Referring the proceedings to a body within the company or the relevant organisational unit, or to a competent authority, for the purpose of initiating preventive or remedial measures.

These and other follow-up measures may also be carried out by the law firm Heuking Kühn Lüer Wojtek, which has been commissioned to perform the duties of the internal reporting office on behalf of the company.

e) Discussion of the facts and offer of dispute resolution

The whistleblowing system serves to identify, minimise and put an end to compliance breaches and other misconduct (see point 3).

Where appropriate, the whistleblower may be offered a dispute resolution procedure as part of the further processing of the case.

f) Final feedback from the reporting office

Provided a means of contact is available, the whistleblower will receive feedback on planned or implemented follow-up measures, as well as the key reasons for the decision, no later than three months after confirmation of receipt.

No feedback can be provided without a means of contact being provided.

g) Data protection

The processing of personal data is carried out in compliance with the data protection provisions of the General Data Protection Regulation and the Federal Data Protection Act.

The data protection notice at <https://www.netto.de/datenschutz/> applies to the processing of whistleblower reports within Netto Deutschland.

The [data protection notice available here](#) applies to data processing by Heuking Kühn Lüer Wojtek.

8. Review

Netto Deutschland must review the effectiveness of the complaints procedure at least once a year and whenever circumstances warrant.

An ad hoc review takes place if Netto Deutschland anticipates a significantly altered or significantly expanded human rights or environmental risk situation within its own business area or at a direct supplier, for example due to the introduction of new products, projects or the establishment of a new business area at Netto Deutschland.

The review shall be repeated immediately if necessary, and the relevant measures updated without delay.

9. Protection against retaliation

Whistleblowers are protected by law against discrimination and reprisals. They must not suffer any legal or professional disadvantages as a result of making a report, even if the report subsequently proves to be unfounded.

Disciplinary action or retaliatory measures, particularly those affecting the employment contract or career progression at Netto Deutschland, are prohibited and may result in legal consequences.

However, this protection does not apply if reports are made intentionally or through gross negligence; in such cases, legal action may be taken against the whistleblower.

10. Follow-up questions & contact

For follow-up questions, all persons affected by these Rules of Procedure can make use of the following contact options:

Outsourced Internal Report Office of the Netto Deutschland:

Dr André-M. Szesny, LL.M. Attorney at Law
Heuking Kühn Lüer Wojtek
Georg-Glock-Straße 4
DE-40474 Düsseldorf
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Address of Netto Deutschland:

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Human resources

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