



Complaint Management

January 2024 / Version 1.1

ETERNA Mode GmbH has developed a complaint management system for issues related to corporate social responsibility, including environmental concerns, health and safety, as well as human rights. Our company firmly believes that providing a means for employees and stakeholders to submit complaints is a fundamental requirement for improving working conditions in the textile industry.

A complaint within our company pertains to the reporting of specific violations of the ETERNA Supplier Code of Conduct by a supplier, representative, or contractor. This may include instances of non-compliance with ethical standards and business practices. Furthermore, a complaint may also arise in connection with violations of international human rights norms, particularly in situations posing immediate risks to the health and safety of individuals involved.

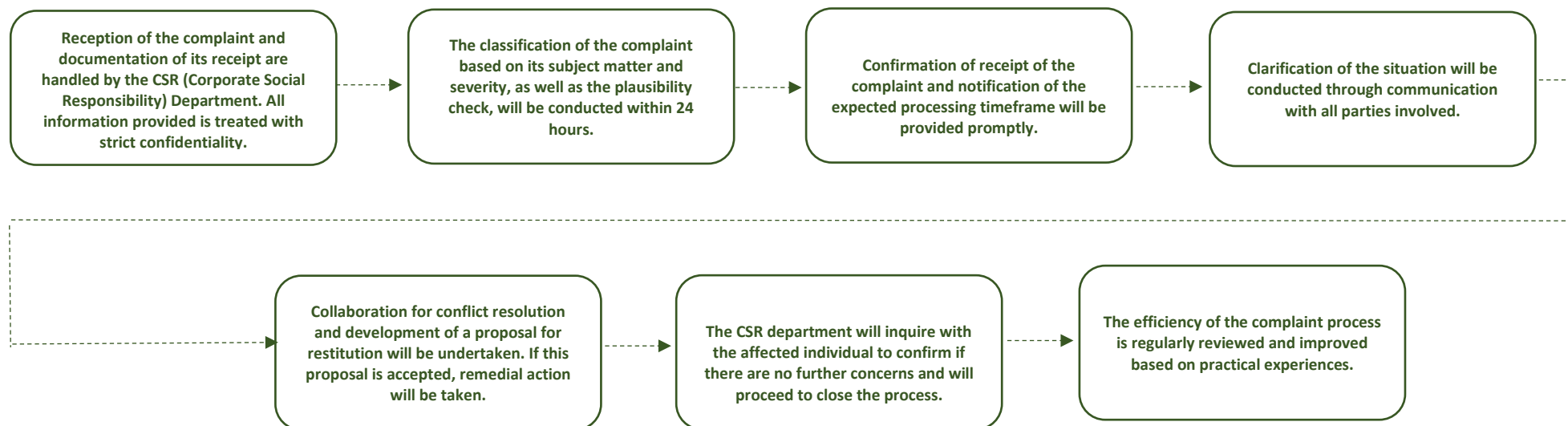
Complaints may be reported under certain circumstances:

1. The violation is related to suspected non-compliance with the Supplier Code of Conduct for ETERNA suppliers. This means the complaint indicates potential breaches of ETERNA supplier ethical standards and business practices.
2. The alleged incident occurred at a current or former production site of an ETERNA supplier. This means complaints regarding violations at a current or past production site of an ETERNA supplier can be reported.

Content of a complaint: A complaint should include at least the following information:

- Name of the supplier and workplace.
- Information about the product manufactured by ETERNA in this context.
- Description of the incident (date, time, subject of the complaint, detailed description, and provision of evidence).

Procedure for Handling Complaints:



Remedial Action Plan

Internal Assessment and Resolution: In this step, the COO and/or their representative or the CSR representative assesses the complexity, severity, safety implications, urgency, and whether an investigation is required. The expected timeframes for resolving a complaint are determined through this assessment.

Here are the criteria to be considered in prioritization:

- **Informal Complaint Description:** Immediate resolution (e.g., correction of incorrect information in an article on the website).

Complaint Management Level: Customer Service

Timeframe: Five business days

- **Formal Standard Complaint Description:** Concerns a single, minor case in the realm of customer service.

Complaint Management Level: Customer Service Department or higher

Timeframe: Twenty business days

- **Formal Complex Complaint Description:** May involve a higher level of risk and multiple issues or business areas. Requires more time for investigation or coordination of responses from other departments.

Complaint Management Level: Production Manager

Timeframe: Forty business days

- **Internal Process Review Description:** A review of the proper procedures undertaken to resolve the complaint and ensure the correct decision resulted from the process.

Complaint Management Level: Department Manager

Timeframe: Twenty business days

- **Serious Human Rights Violations Description:** Violation of human rights at the supplier or company level.

Complaint Management Level: COO (Chief Operating Officer)

Timeframe: Immediate resolution within twenty business days; preventive solution (e.g., changing the supplier within 50 days).

If a complaint is raised by stakeholders of a supplier, ETERNA Mode GmbH will initiate contact with the affected supplier within 24 hours and request a written statement regarding the handling of the complaint. The supplier is obligated to send the written statement to ETERNA within one week. If the complaint is deemed valid, ETERNA Mode GmbH will issue a warning and request the implementation of preventive measures within one week. The preventive action plan must be reviewed and approved by the CSR representative within ETERNA (currently the COO).

ETERNA Mode GmbH will take the following measures to address human rights violations:

- **Improvement of working conditions:** This includes ensuring fair wages, safe working environments, regulated working hours, and the prohibition of forced labor or child labor (all outlined in the Supplier Code of Conduct).
- **Transparency and accountability in the supply chain:** This involves reviewing suppliers, compliance with codes of conduct, and conducting regular audits.
- **Promotion of sustainable production and consumption practices.** In cases of serious violations of laws and international human rights, the CSR representative and COO initiate a process for delisting the supplier. ETERNA prohibits new orders from an affected supplier from the moment such a violation is discovered. After three months, the responsible CSR representative and COO review whether ETERNA Mode GmbH is committed to compensating any affected individuals for damages resulting from the company's procurement procedures. Therefore, the assessment of damages is an integral part of any complaint investigation.
- **If the complaint is raised by one of ETERNA's employees,** both the works council and the HR department are notified and involved in determining the next steps to resolve the complaint. The right to compensation for damages resulting from the company's procurement practices applies to our employees as well as to all other stakeholders.

Internal Review:

If the complainant is dissatisfied with the department's response, they have the option to request a review. The complainant has 20 business days from receiving the department's advice to request an internal review by the department. If there is a human rights aspect, the complainant may alternatively file a complaint with the COO. The complainant must be informed of these options in the department's initial response. An internal review is a systematic examination of the original process and outcome. The aim of an internal review is to ensure that the complaint process has complied with the department's policy and procedural requirements. An internal review is not an investigation or a re-investigation of a complaint. It is a review of the complaint process and outcome.

External Review:

ETERNA aims to resolve all complaints internally. If the complainant does not accept ETERNA's proposed solution, they must file a lawsuit. The jurisdiction for all such legal proceedings is Passau.

Monitoring, Reviewing, and Reporting: Reporting is an essential tool for monitoring the status of all complaints. The CSR representative will update reporting during and after resolving a new case and will report quarterly to the COO on the status of all complaints.

To address complaints to us, we have established the following mechanisms:

By Post:

ETERNA Mode GmbH
Supply Chain Corporate Responsibility
Medienstrasse 12
94036 Passau

By Email:

csr@eterna.de

By Phone:

+49 851 9816-150

Website Whistleblower System:

<https://unternehmen.eterna.de/hinweisgebersystem/>

These complaint options are complementary to the internal complaint mechanisms in the respective facilities (complaint box, employee meetings, works council meetings, etc.).

Supplier Requirements:

All our suppliers are required to sign our Supplier Code of Conduct and adhere to it throughout the supply chain and communicate it.

According to our Supplier Code of Conduct, we urge our suppliers to establish and operate an effective internal complaint system in line with the UN Guiding Principles on Business and Human Rights. Information about our complaint mechanisms and associated complaint channels must be visibly provided. We highly value that our suppliers offer the opportunity to receive complaints and take appropriate actions to address them.

19. Procedure for complaints

Grievances or information regarding violations of this Code of Conduct can be reported anonymously and at any time to ETERNA Mode GmbH (see below for contact information). When filing a complaint, it is important to provide only true and accurate information.

Filing a complaint should not result in any reprisals or disciplinary actions from the Business Partners. Whistleblowers and individuals reporting violations must be protected from any negative consequences.

Contact address related to all CSR topics:

- Division: Supply Chain Corporate Responsibility
- Address: ETERNA Mode GmbH
Sonja Ruppert
Medienstraße 12
94036
Passau
Germany

Email: csr@eterna.de
Tel: +49 851 9816-150



Complaints in the fiscal year 2023:

So far, no complaints have been submitted.