

Supply Chain Grievance Mechanism

The aim of Kentaur's due diligence is to identify, prevent and mitigate potential harms before they turn into adverse impacts. Occasionally, risk of harm can turn into actual impacts. We want to take responsibility for potential and actual social and environmental adverse impacts we might have caused or contributed to via our business and purchasing practices. By outlining this Supply Chain Grievance Mechanism, we encourage our supply chain to notice Kentaur about eventual grievances.

Target groups

Kentaur's supply chain grievance mechanism is intended for the following target groups:

- Employees of suppliers and business partners
- Individuals and communities near production sites
- People who may be affected by the environmental impacts of our business
- General public

The people submitting a grievance will not be disadvantaged or punished as a result and personal data will be protected aligned with GDPR during the grievance process.

Scope

The following complaints are permissible in Kentaur's supply chain grievance mechanism:

- All complaints concerning social and environmental impacts that are relevant to human rights
- All complaints concerning social and environmental impacts that are relevant to labor rights
- All complaints concerning environmental impacts caused or contributed by Kentaur
- All complaints concerning integrity impacts caused or contributed by Kentaur
- All complaints/information on suspected instances of corruption

Complaint channels

There are two ways in which Kentaur is notified about supply chain grievances.

Direct channel:

If someone in our supply chain wants to lodge a complaint to Kentaur A/S directly, the person must send the grievance to grievance@kentaur.com and address the email to the executive management.

It is important to state that Kentaur's direct channel is made to complement already existing effective local and/or sector-wide grievance mechanisms implemented by our suppliers.

Indirect channel:

Kentaur's tier 1 suppliers have implemented grievance mechanisms for handling grievances locally on site. In general, the grievances received via the indirect channel will be handled and resolved by our suppliers solely. However, Kentaur will be evaluating and discussing all the grievances that our suppliers have received with managers, workers and/or workers representatives during Kentaur's annual supplier visits. If Kentaur identify a grievance which has not been sufficiently handled and

resolved by the supplier, a warning letter will be issued, and Kentaur A/S will make sure to resolve the case via the direct channel.

Categorization of complaints

Kentaur categorize complaints in three categories:

Rejected: Complaints that are out of scope will be rejected.

Minor: All complaints that are not categorized as major or rejected.

Major: All complaints concerning:

- Disrespectfulness of workers' right to bargain collectively.
- Discrimination.
- Noncompliance with local government's minimum wage legislation or collectively bargained industry standard.
- Illegal deductions from wages.
- Overtime not in line with the requirements of the amfori BSCI Code of conduct or more strict local requirements.
- Violation of the right to resting breaks in every working day.
- Violation of the right to at least one day off in every seven days.
- Disrespectfulness of workers' right to remove themselves from imminent danger without seeking permission.
- Lack of adequate amount of firefighting equipment which works properly.
- Inaccessible, poorly marked and/or blocked escape routes, aisles and emergency exits.
- Unavailable qualified first aid.
- Lack of potable water.
- Direct and indirect child labour.
- Young workers' working hours not in line with the requirements of the amfori BSCI Code of conduct or more strict local requirements.
- Lack of mechanisms preventing, identifying, and mitigating harm on young workers.
- Use of employment arrangements that deliberately conflicts with genuine purpose of the law.
- Servitude, forced, bonded, indentured, trafficked or non-voluntary labour.
- Inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse.
- Falsification of information related to activities, structure and performance and any act of misrepresentation of the supply chain.

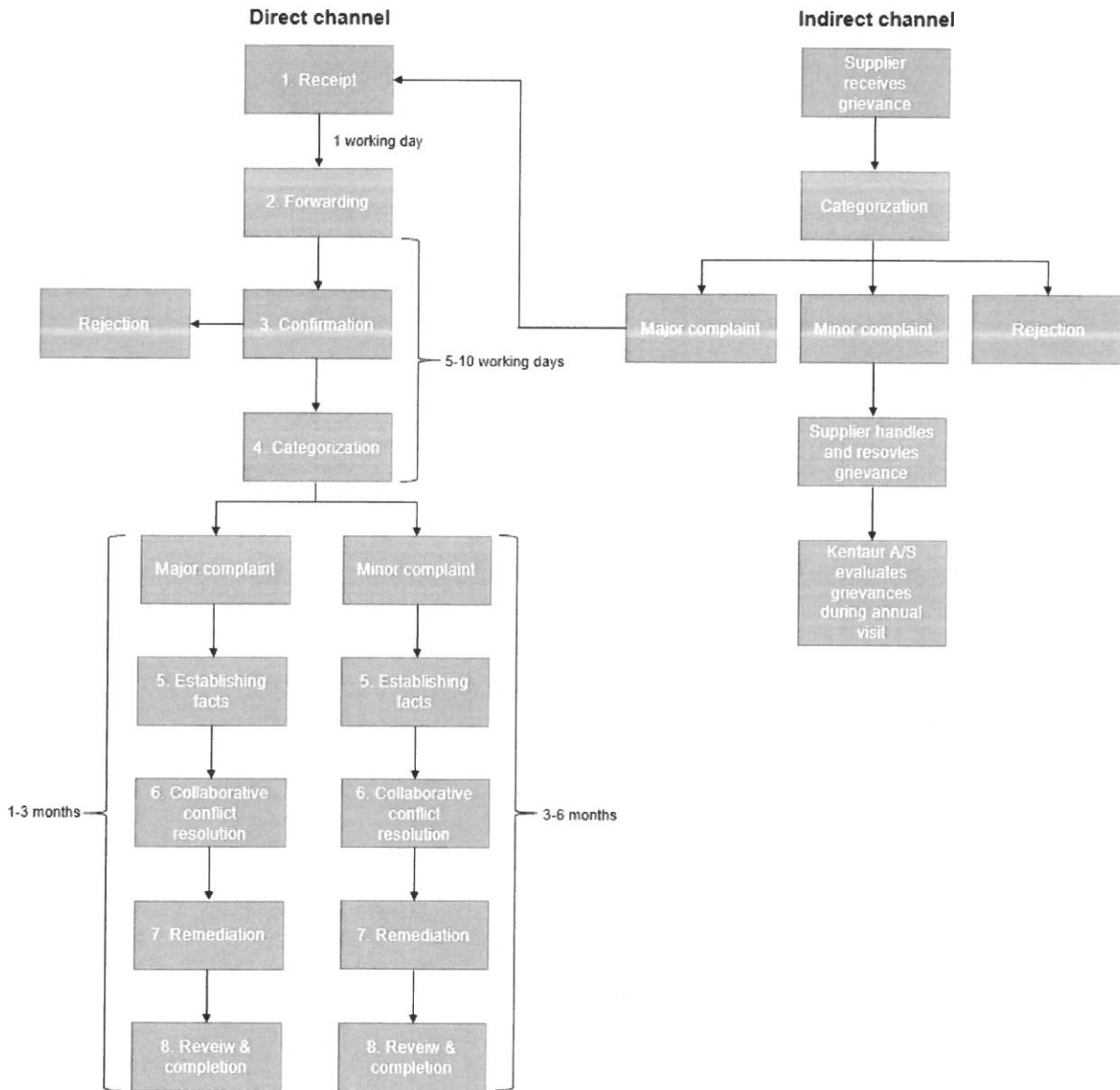
Grievance handling – direct channel

The process of handling grievances received through our direct channel is outlined below:

1. **Receipt:** A grievance addressed to the executive management is received in the grievance@kentaur.com inbox.
2. **Forwarding:** The received grievance is forwarded to the group executives who are responsible for the resolution process.
3. **Confirmation:** The group executives confirm the receipt of the grievance to the complainant and inform whether the grievance is accepted or considered out of scope which leads to a rejection. If the grievance is accepted, the group executives provide information about the planned process and timeframe.
4. **Categorization:** The group executives categorize the received grievance and depending on the type, severity & urgency of the grievance, it is decided whether other relevant staff from Kentaur need to be brought in for processing the grievance. Furthermore, it is evaluated to which extent the grievance is caused, contributed to, or linked to Kentaur. If the grievance concerns one or more of the following categories, Kentaur will take immediate action (within 2 business days) to prevent further harm: Child/ forced labour, violation of freedom of association & gender based violence.
5. **Establishing facts:** The facts that led to the grievance and the remedy that the complainant may be seeking are established in dialogue with the complainants. If the facts cannot be confirmed, it is communicated to the complainant. The outcome of this dialogue-based evaluation forms the basis for the resolution of the grievance.
6. **Collaborative conflict resolution:** The group executives come up with a proposed remedy in dialogue with the complainant and which is in proportion with the severity and scale of the adverse impact. If this suggestion is not accepted, the complainant may approach an external grievance body or use another channel to get access to remedy.
7. **Remediation:** If the suggested remediation is accepted by the complainant, it is delivered and monitored. The remediation must always comply with international human rights standards and can include, but are not limited to, apology, assurance that the situation will not be repeated, compensation (e.g. in kind or financial), and amendment of policies.
8. **Review and completion:** After the resolution process has been completed, there is a follow-up with the complainant to check whether the grievance has been fully resolved. Additionally, there will be an internal evaluation of any potential improvements to the process.
9. **Reporting:** Any received grievances will be reported in the yearly COP report published on Kentaur's website.

Grievance handling – indirect channel

Kentaur's tier 1 suppliers handle the received grievances effectively on site via their implemented local grievance mechanism. Our suppliers are required to categorize the grievances they receive according to Kentaur's complaint categories. If one of our suppliers receive a grievance which are categorized as a major complaint, the supplier is obliged to inform Kentaur A/S immediately via the direct channel described above.



Date: 29/8 2023

Signature: [Handwritten Signature]