



ZIEGLER GROUP®



DECLARATION OF PRINCIPLES

ON RESPECT FOR HUMAN RIGHTS AND THE ENVIRONMENT

DECLARATION OF PRINCIPLES ON RESPECT FOR HUMAN RIGHTS AND THE ENVIRONMENT

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INTRODUCTION

As an internationally active family business, the ZIEGLER GROUP (hereinafter referred to as „we“) is aware of its responsibility within the flow of goods and services. We can only be commercially successful in the long term if the impact of both our business activities and those of our suppliers is in harmony with people and the environment. Our goal is therefore to strengthen human and environmental rights and to prevent or avoid their violation, minimise them and take remedial action. This commitment applies both to our own business activities and to our global supply chains. For us, a commitment to respecting human and environmental rights means taking responsibility for our actions and for the impact of our decisions on people along the entire supply and value chain. We take a clear stance in favour of a sustainable society.

This declaration of principles is a central component of our human rights strategy.



I. BASIC APPROACH

As a globally active company, we respect human rights as laid down in the United Nations (UN) Declaration of Human Rights, for example. With over 6000 suppliers, our aim is to prevent human rights violations in our global value chain and to promote fair working conditions. We treat our employees, suppliers and business partners with respect and create structures for responsible value creation.



GLOBAL
VALUE CHAIN



OVER 6000
SUPPLIERS



FAIR
WORKING CONDITIONS



RESPONSIBLE
VALUE CREATION

II. COMMITMENT

TO RESPECT HUMAN RIGHTS AND THE ENVIRONMENT

The ZIEGLER GROUP is committed to respecting human rights and the environment and to taking responsibility for its supply and value chain. We are therefore committed to respecting human rights and environmental rights within our own business and in our global supply chains and to ensuring that human rights and environmental violations are prevented and that those affected have access to remedy.

We base our declaration of principles on respect for human rights on

- the ten principles of the UN Global Compact,
- the Universal Declaration of Human Rights,
- the four fundamental principles and rights at work of the International Labour Organisation (ILO),
- the OECD Guidelines for Multinational Enterprises,
- the UN Guiding Principles on Business and Human Rights and
- the United Nations Sustainable Development Goals.

In addition, the following regulations/standards apply to our daily activities:

- Code of Conduct
- Supplier Code of Conduct

With the above standards, we oblige all employees to behave appropriately and lawfully towards colleagues, business partners and suppliers. We expect our business partners and suppliers to also commit to respecting human rights, to establishing appropriate due diligence processes and to passing on these expectations to their own suppliers. We also expect our suppliers to accept and comply with the Supplier Code of Conduct.



III. APPROACH

ZIEGLER GROUP'S APPROACH TO IMPLEMENTING HUMAN RIGHTS DUE DILIGENCE REQUIREMENTS

As part of our various business activities, people in the ZIEGLER GROUP and along its supply chains are exposed to various human rights and environmental risks. Comprehensive and uniform management of these risks helps to protect the reputation and credibility of the ZIEGLER GROUP, but above all to prevent or minimise any violations of the human rights and environmental rights of those potentially affected. In this way, the ZIEGLER GROUP creates trust among its employees, business partners, suppliers and ultimately its customers and makes a contribution to fair co-operation. The ZIEGLER GROUP sees the management of human rights and environmental risks as a continuous process that is firmly integrated into operational procedures.

The ZIEGLER GROUP has implemented a multi-stage process for dealing with risks within the supply chain and in its own business area. This serves to systematically identify potentially detrimental human rights and environmental impacts of both its own and its suppliers' business activities and, where necessary, to take remedial action. The process described in detail in points 1 to 6 forms the basis of the holistic and continuous ZIEGLER GROUP risk management with regard to human rights and environmental due diligence:



Detailed analyses of abstract and concrete risks are used to identify potentially negative impacts on human rights and environmental concerns as well as potentially affected parties in the company's own business area and in the supply chains. The ZIEGLER GROUP derives specific priority risks from the resulting findings and defines corresponding targets for risk avoidance and minimisation. Following the risk assessment and prioritisation, the ZIEGLER GROUP takes preventive and remedial measures in its own business area and in the supply chains. Where possible, relevant stakeholders are involved and information from the grievance mechanism is utilised.

The activities carried out are reviewed for their effectiveness and continuously developed further. The processes and results are documented and stored accordingly and are included in the annual reporting to the German Federal Office of Economics and Export Control in accordance with Section 10 (2) LkSG on a materiality basis.

III. APPROACH

ZIEGLER GROUP'S APPROACH TO IMPLEMENTING HUMAN RIGHTS DUE DILIGENCE REQUIREMENTS

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1. Risk analysis in our own business area and in the supply chains

The human rights and environmental risk analyses of the ZIEGLER GROUP serve to analyse the corresponding potential and actual effects of its own of its own business activities and those of its suppliers along the entire supply chain.

The ZIEGLER GROUP therefore continuously examines where there are particular risks of human rights and environmental violations in its own business area and in its supply chains. With the help of a risk analysis process that is updated annually and on an ad hoc basis, the ZIEGLER GROUP identifies and assesses the relevant human rights issues and those potentially affected. This takes place both for its own business activities and for direct suppliers. In addition, this process is also carried out for the ZIEGLER GROUP's indirect business relationships on an ad hoc basis. Starting with an abstract analysis of risks, the ZIEGLER GROUP identifies industry-, commodity- and country-specific risks in its own business activities and supply chains, taking vulnerable groups into account. In the second step, those suppliers and companies for which there is an increased risk disposition are analysed for priority human rights and environmental risks as part of a concrete risk analysis.

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The ZIEGLER GROUP analyses the impact of its business activities in its own business area and along the supply chains on human rights and environmental rights.

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The analyses include all legal positions that are protected by the above-mentioned applicable conventions and laws and to which the Supply Chain Due Diligence Act expressly refers.

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The results of the risk analyses are continuously incorporated into the ZIEGLER GROUP's corporate decision-making processes with regard to internal business strategies as well as supplier selection and management. The risk analysis forms the basis for the identification of appropriate targets, preventive and remedial measures.

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III. APPROACH

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2. Preventive measures

In order to fulfil our responsibility to respect human rights, we rely on the interaction of various preventive measures in our own business area and at direct suppliers. Our primary goal is to protect those potentially affected and to identify, prevent or at least minimise adverse human rights and environmental impacts on them.

We will regularly communicate this declaration of principles and its underlying human rights strategy internally (e.g. to employees) and externally (e.g. to suppliers). The values of this declaration of principles are taken into account in the Code of Conduct. A zero-tolerance policy is applied with regard to respect for internationally applicable social standards and internationally recognised human rights as well as the relevant legal regulations.

We will establish the following measures in our own business area, depending on the risks involved:

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- Publication of this policy statement
- Code of Conduct that is binding for all employees
- Training on respecting human rights and the environment

We will establish the following measures for our direct suppliers:

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- Consideration of human rights and environmental expectations when selecting our direct suppliers on the basis of the Supplier Code of Conduct
- Obtaining contractual assurances for compliance with and implementation of expectations of our suppliers along the supply chain
- Agreeing and implementing risk-based control measures

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In addition, preventive measures can be taken on a case-by-case basis that relate to a specific risk situation or category.

III. APPROACH

ZIEGLER GROUP'S APPROACH TO IMPLEMENTING HUMAN RIGHTS DUE DILIGENCE REQUIREMENTS

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3. Grievance mechanism

An appropriate and effective grievance management system is an integral part of our due diligence processes in order to effectively prevent and remedy violations within our company or in our value chain. We take violations of human and environmental rights seriously and provide publicly accessible and confidential reporting channels through which any person can report actual or suspected violations by us, business partners or suppliers at any time.

Our complaints procedure is open to any person, regardless of the existence or nature of the contractual or business relationship. The system gives affected parties the opportunity to submit information of all kinds and complaints about the behaviour of us or direct and indirect suppliers, either by name or anonymously. There are also access options in English, Romanian, Czech and Hungarian.

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The information and complaints are processed by selected and specially trained employees who are impartial, independent and sworn to secrecy. In addition, the management is informed about the respective complaint.

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Confidentiality and whistleblower protection are our top priority.

As far as possible and within our sphere of influence, we ensure that whistleblowers are protected from discrimination and penalisation in connection with the information and complaints they submit. We have defined, documented and internally communicated processes for the whistleblower system/complaints procedure, which are incorporated into the rules of procedure. These rules of procedure are made available on our website.

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The effectiveness of our complaints procedure is reviewed regularly, at least once a year and on an ad hoc basis. We also endeavour to continuously improve our human rights due diligence processes.



III. APPROACH

ZIEGLER GROUP'S APPROACH TO IMPLEMENTING HUMAN RIGHTS DUE DILIGENCE REQUIREMENTS

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4. Access to remedy

In all our efforts, the prevention of human rights violations and environmental offences is our top priority. Those affected can report suspected human rights violations and demand remedial action. If a violation is only registered after it has occurred, our efforts focus on minimising the impact and remedying the violation as quickly as possible.

In the event that we as a company have directly caused the violation of human rights, we work to prevent the business activities that caused the violation or to organise them in compliance with human rights. If we obtain substantiated knowledge of human rights violations in our supply and value chain, we work with the responsible parties in cooperation with our business partners to develop a corrective action plan to remedy the human rights violation. Depending on the severity of the violation, we reserve the right to respond appropriately.

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5. Effectiveness review

The effectiveness of all due diligence processes is reviewed at least once a year and on an ad hoc basis in order to continue to recognise, prevent, eliminate or mitigate adverse human rights or environmental impacts. Within our group of companies, the effectiveness of the various measures is reviewed on the basis of defined key figures.

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6. Reporting

As part of our annual report, we communicate and report on our commitments, activities and declarations regarding human rights in accordance with this declaration of principles.

The world and our market environment are constantly changing. We therefore continuously review our risk assessment and measures. We also regularly review our processes, this declaration of principles and our communication and adapt them to changing circumstances if necessary. For example, we are constantly working to report on our risks and measures even more transparently.

IV. RESPONSIBILITIES AND CONTACT OPTIONS

The management of the group of companies is ultimately responsible for the implementation of and compliance with this declaration of principles on respect for human dignity. The management monitors the operational implementation of the declared corporate principles. Regular and event-driven internal reporting is provided to the management on the results of risk analyses, information from the complaints mechanisms and information on the effectiveness of the remedial and preventive measures taken.

IV.



If you have any questions about this policy statement or other topics related to human rights or environmental law, please send an e-mail to compliance@ziegler.global. To report questionable behaviour or a possible violation, you can also submit a report at any time via our confidential whistleblower system (<https://hr.ziegler.global/whistleblowing/>).

V. OUTLOOK

The ZIEGLER GROUP is aware that the implementation of human rights and environmental due diligence obligations in its own business area and in the relevant supply chains is an ongoing process. The measures and strategies relating to due diligence obligations are continuously reviewed and adapted. The ZIEGLER GROUP provides regular information on this and other strategic developments in its annual sustainability report and in the publicly accessible human rights report to the German Ministry of Economics and Export Control. This report will be published annually from the first quarter of 2025.

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