

Policy Statement on the Human Rights Strategy

1 / 2

Dr. Schumacher GmbH is committed to respecting human rights and protecting the environment. Along the value chain, the company also pursues the objective of respecting and promoting the observance of human rights and the protection of the environment. To this end, we have drawn up a Code of Conduct which applies to all employees in the entire business division and which we also expect our direct suppliers to comply with. This is based on the internationally agreed human rights and globally applicable environmental protection regulations, such as

- International Charter on Human Rights
- Core Labour Standards of the International Labour Organisation
- United Nations Guiding Principles on Business and Human Rights
- National Action Plan on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- UN Global Compact
- United Nations Convention on the Rights of the Child

In particular, it is part of our company's understanding to pay fair wages, to work towards appropriate working conditions on site and to prevent the exploitation of children. For Dr. Schumacher GmbH, equal rights for women and men are also a matter of course and the company does not discriminate against anyone because of their gender, origin, race, language, home country and origin, faith, religious or political views or because of a disability. We reject corruption as well as forced labour and human trafficking.

We also expect our business partners to comply with these requirements and principles.

The Act on Corporate Due Diligence Obligations in Supply Chains

2 / 2

Lieferkettensorgfaltspflichtengesetz – LkSG

LkSG pursues the goal of complying with human rights and environmental standards both within its own business division and throughout the entire supply chain.

In order to fulfil the objective within its own business unit, the company trains employees to live these values in the company. This begins with the conscious perception of violations of these principles, which are picked up and dealt with via defined processes and then result in appropriate measures for the company. This also applies to information from third parties.

To ensure compliance within the supply chain, the company has implemented a risk management system. Due to the complexity of the supply chain, the company makes use of electronic support using external and internal expertise. First of all, a fundamental risk analysis is carried out for all suppliers involved in the value chain and the provision of services, based on the country of origin and the industry of the supplier in question. This risk analysis is based on recognised indices and studies by external experts. Based on the results of this risk analysis, the individual risks of suppliers are examined in more detail. For this purpose, the suppliers concerned are invited to participate in an evaluation by this external service provider or – if a corresponding rating already exists – to communicate the evaluation to us. If the supplier does not wish to participate in the evaluation process of the external service provider, he will alternatively be provided with his own questionnaire.

The identified risks are weighted and prioritised based on criteria such as the expected extent and consequences of a potential infringement. If necessary, the suppliers in question are requested to take preventive or corrective measures to ensure that the violations are remedied within the scope of our influence. As a matter of principle, we prefer to achieve improvements with suppliers than to punish them across the board for their actions – e.g. by relocating them to other suppliers. If the supplier does not or does not want to comply with these measures despite requests, a termination of the business relationship is another option for dealing with the identified risks. The enquiry of risks and the initiation of preventive and corrective measures is carried out by the employees of the purchasing department, if necessary in consultation with the human rights officer. Risk management is monitored by the Human Rights Officer. The risk assessment is updated annually.

A functioning complaints procedure is of great importance for identifying risks and violations both within the group of companies and within the supply chain. For this purpose, an internal, publicly accessible procedure has been set up that preserves the confidentiality of the reporting person's information. The persons entrusted with the implementation within the company are sworn to secrecy and are independent in this function and not bound by instructions. Complaints are taken into account in the risk analysis. This also applies if information on human rights or environmental risks or violations of human rights or environmental obligations at indirect suppliers becomes known.

The implementation of the obligations arising from this law are documented on an ongoing basis. A summary report of the previous year's activities is published on our company's website by 30 April of the following year at the latest.