

DECLARATION OF PRINCIPLES

on respect for human
rights and the protection
of environmental rights

ZIEHL-ABEGG 



Declaration of principles on respect for human rights and the protection of environmental rights

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1 Responsibility to respect human rights and protect the environment

ZIEHL-ABEGG SE, together with its subsidiaries ("ZIEHL-ABEGG Group"), as a globally engaged company, is aware of its significant level of international integration in the supply chain. A legally compliant action in our specific business space is of high value, which also extends to the actions of a direct supplier and, in a wider view, the actions of an indirect supplier. In this regard, we are committed to influencing all steps, both domestically and globally, necessary to manufacture our products and the provision of respective services along the supply chain to ensure the special protection of human rights and the environment.

As a responsibly managed entity, we are committed to respect human rights and safeguard the environment within our supply chain, as now prescribed in the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – "LkSG").

Therefore, we are dedicated to the internationally recognized principles of protecting human rights and the environment, specifically:

1. Universal Declaration of Human Rights of the United Nations (UN)
2. Conventions and recommendations of the International Labor Organization (ILO) on Labor and social standards
3. Principles of the United Nations Global Compact (UNGC)
4. UN Convention on the Rights of the Child
5. UN Convention on the Elimination of All Forms of Discrimination Against Women
6. Guidelines of the Organization for Economic Cooperation and Development (OECD) for Multinational Enterprises
7. Minamata Convention on Mercury (adopted on October 10, 2013) (Minamata Convention)
8. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (adopted on March 22, 1989 - Basel Convention)
9. Stockholm Convention (adopted on May 6, 2005) on Persistent Organic Pollutants (adopted on May 23, 2001). Federal Law Gazette 2002 II p. 803, 804 amended by the decision Federal Law Gazette 2009 II p. 1060, 1061 (POPs Convention).

This policy statement also outlines the key measures we undertake in the course of our business activities to identify and mitigate potential risks to human rights and the environment.

2 Procedure for implementing the obligations under the LkSG

We have established risk management procedures in accordance with the LkSG within our business division. These procedures also extend to our direct and indirect suppliers to ensure full compliance with the requirements of the LkSG.

We carry out a multi-stage risk analysis of our direct suppliers within our supply chain. In this process, we analyze and evaluate the country of origin and the product groups. If the risk analysis uncovers an increased risk to human rights or the environment, we perform further ad hoc checks and initiate remedial measures.

These measures may range from setting a deadline for the supplier to remedy the risks and violations to terminating the business relationship.

For us to enforce remedial measures against direct suppliers, the respective business partner in the supply chain must agree to the Business Partner Code of Conduct ("BPCoC"). This agreement includes a declaration that the supplier complies with the LkSG requirements regarding human rights and environmental issues, which must be signed before entering a new business relationship. This measure alongside the risk analysis, constitutes our preventive approach.

We have established an anonymous, electronic reporting system. This platform allows anyone to flag potential human rights and environmental risks, and to report violations. It ensures safe and confidential communication with ZIEHL-ABEGG.

In addition, we train our employees in human rights and environmental law requirements. Moreover, we encourage them to report suspected violations against the declaration of principles through the existing reporting system.

3 Responsibilities

The risk analysis system was primarily implemented within the purchasing department. In addition, we appointed an interdisciplinary steering committee to handle issues related to the LkSG. We also appointed a human rights officer who is responsible for ensuring the creation and execution of training and audits, overseeing external reports on human rights due diligence, and facilitating the continuous review and improvement of human rights and environmental due diligence management.

Furthermore, we conduct the operational implementation of human rights due diligence processes in collaboration with the relevant specialized departments, particularly Purchasing, Human Resources, and the Compliance department.

The Executive Board is ultimately responsible for enforcing and ensuring compliance with the Declaration of Principles on Respect for Human Rights within the ZIEHL-ABEGG Group.

4 Expectations for our employees and supply chain business partners

Within our business scope, we expect our employees to comply with the LkSG requirements, especially those measures tied to risk analysis. We expect an equal commitment from our supply chain business partners to respect human rights and protect the environment, and to establish appropriate due diligence processes for identifying and avoiding human rights and environmental risks.

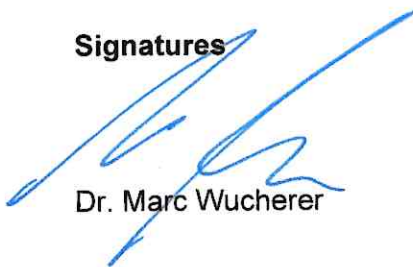
5 Outlook and reporting


The ZIEHL-ABEGG Group is aware that implementing human rights due diligence in its business operations and supply chains is an ongoing process. The ZIEHL-ABEGG Group accepts this challenge and regularly reassess its strategic approaches and measures, aiming for continual improvement. In compliance with legal requirements, ZIEHL-ABEGG Group will deliver regular and transparent updates regarding implementation and strategic developments.

6 Final provision

We commit to performing annual and ad hoc reviews of this policy statement, ensuring its current relevance and effectiveness, and making adjustments as needed to accommodate changing circumstances. The Executive Board of ZIEHL-ABEGG SE adopted the Declaration of Principles on Human Rights on December 20, 2023, and it will take effect starting January 1, 2024.

Signatures


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