

# Declaration of Human Rights Principles of the BAUER Group



## 1. Introduction

The following values are particularly important for the BAUER Group: Appreciation, innovation, down-to-earth attitude, responsibility, openness. Integrity is the basis for all our actions. We fulfil our requirements with regard to the respect of human rights and environmental protection in a best possible way both in our own area of business as well as when selecting our suppliers and maintaining our business relationships with them.

The following Declaration of Principles is a supplement to our Bauer Code of Conduct (*Code of Conduct*) and is based on internationally applicable standards and guidelines. This declaration explains the key measures we adopt in order to identify and prevent risks relating to human rights and the environment. The requirements of the act on corporate due diligence obligations to prevent human rights violations in supply chains, known as LkSG for short, are implemented by this declaration.

## 2. Due diligence obligations

### 2.1 Human rights and occupational safety

We require our own Group companies as well as our suppliers to comply with the following due diligence obligations concerning human rights:

- **Prohibition of slavery, child labor and forced labor**  
We oppose any form of child labor in line with the relevant International Labor Organization (ILO) agreements. Bauer does not tolerate forced labor or any forms of slavery, including modern forms of slavery and human trafficking. Employment relationships are always voluntary in nature.
- **No discrimination or harassment**  
We respect our employees. Discrimination based on origin, gender, sexual identity, religion, disability, health status, worldview, age or position in our company is not tolerated. The personal dignity, privacy and personal rights of each individual employee are respected at Bauer across all levels.
- **Freedom of association, right to collective bargaining**  
We respect our employees' rights to freedom of association and collective bargaining within the framework of the relevant applicable laws and conventions of the ILO.<sup>1</sup>
- **Fair working conditions**  
The work performed by our employees worldwide is remunerated appropriately, whereby we always guarantee the currently applicable and/or legally stipulated minimum wage. Our working hours are in line with the relevant local statutory requirements.
- **Occupational safety**  
We ensure occupational safety and health protection at the workplace for our employees, taking into account the applicable laws and regulations. We maintain guidelines that apply Group-wide with regard to Health, Safety, Environment (HSE) and standards based on DIN ISO 45001 as well as the ILO. The security personnel we employ are obliged to respect human rights and may not impede the right of free assembly.
- **Protection of local communities and indigenous peoples**

<sup>1</sup> The ILO conventions to which we refer can be found under the following link:  
<https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/freedom-of-association/lang--en/index.htm>

# Declaration of Human Rights Principles of the BAUER Group



We respect the rights of local communities and indigenous peoples and observe the prohibition on unlawful eviction or unlawful removal of land, forests or bodies of water. Insofar as the rights of indigenous people are actually affected or could potentially be affected by significant operations of the BAUER Group, we orient our actions as a rule according to ILO Convention 169 concerning indigenous and tribal peoples in independent countries as well as the UN declaration on the rights of indigenous peoples.

## 2.2 Environment

Apart from due diligence obligations concerning human rights, we also observe compliance with due diligence environmental obligations at our subsidiaries as well as at our suppliers.

### - **Standards for environmental protection**

We attempt to always minimize environmental impacts and continually improve environmental protection. This is reflected in our Group-wide master HSE guidelines and standards (*BAUER HSE*) as well as in our environmental and sustainability policy (*BAUER Sustainability*).

### - **Sustainable actions**

Through our sustainable actions, we attempt to reduce negative environmental impacts by conserving natural resources, consuming less energy and other measures. Illegal harmful soil modifications, or contamination of the air and water which endangers health or food production, are prohibited throughout the Group.

Our internal guidelines, processes and management system reflected this commitment in our daily actions, for instance in our Code of Conduct, ethics management system or HSE management system. In our purchasing and personnel processes, we also act in accordance with this declaration.

## 3. Risk management and analysis

Our risk management system regulates the handling of risks within the BAUER Group. It defines a uniform methodology applicable to all segments and their member companies. It is continually reviewed and adjusted as required.

Our risk management system is an integral element of our overall management system. Audits are routinely conducted to verify its implementation and continuously improve its efficacy. The process steps involved in risk management are: identification, assessment, control of measures and monitoring.

We conduct our risk analysis with regard to human rights and environmental duties on a regular basis (at least once per year) as well as on an as-needed basis in our area of business and along our supply chain in order to identify, assess and prevent potential negative impacts in time. This occurs within the framework of our risk management process.

The risk analysis in our own area of business as well as for our direct suppliers worldwide is carried out in the form of a multi-stage analysis. Essential material groups and their countries of origin are investigated for risks with regard to human rights and the environment. If the risk analysis reveals an increased risk to human rights or the environment, affected business divisions and suppliers are

# Declaration of Human Rights Principles of the BAUER Group



subjected to a more thorough review and, where necessary, suitable measures to reduce risks are adopted and documented.

In communication with the specialist departments and managing directors of the subsidiaries, the results of the risk analysis are verified and documented centrally. Yearly risk management reports are submitted to the Executive Board and Supervisory Board of BAUER Aktiengesellschaft.

## 4. Corrective and preventive measures

In the event of human rights or environmental violations, suitable corrective measures are introduced. Depending on the severity of the violation, these measures could include contractual or legal action and extend up to the termination of business relationships.

In the course of procurement for production and non-production material as well as services, clear requirements and expectations concerning suppliers are contractually agreed upon in our Code of Conduct for Suppliers (*Supplier Code*). At our request, the supplier must submit information and requisite evidence concerning compliance with our Supplier Code. Audits may also be conducted in this regard by Bauer or on Bauer's behalf.

Our preventive measures also include targeted group-oriented, Group-wide training. The HSE and Internal Auditing departments are responsible for reviewing compliance with the Declaration of Principles in their own area of business.

## 5. Whistleblower system

We offer our employees, as well as third parties (particularly our customers and suppliers) the opportunity to report information regarding potential legal and regulatory violations and submit these information for monitoring. Whistleblowers have the following options for establishing contact, which must be used responsibly:

In the event of conflicts with our core values and principles of conduct, within the context of an open company culture, we encourage our employees to contact established points in the company on a trusting basis, for instance supervisors, ethics management officers, the human rights officer and internal auditing. Either our employees or third parties can contact the

**Internal Auditing department of BAUER AG, Phone +49 151 11310552, Email:**

**[compliance@bauer.de](mailto:compliance@bauer.de)**. Open communication is encouraged within the Group, which means that anonymous tips are not followed up on these channels as a rule. However, the whistleblower's interest in protecting their identity will be considered.

Employees and third parties who feel the need for a personal and confidential meeting before and during the reporting of information also have the option of contacting the ombudsman for the BAUER Group. The ombudsman is available as a contact person for topics which are more difficult to resolve within the Group due to their nature – these include the areas of corruption and anti-competitive agreements.

The role of ombudsman is exercised by an independent, external lawyer. Whistleblowers can submit information by phone, in writing (email, letter) or personally to the ombudsman:

# Declaration of Human Rights Principles of the BAUER Group



Attorney  
Christian Pollin  
Friedrichshofener Str. 12  
85049 Ingolstadt  
Phone: +49 841 885407-0  
Fax: +49 841 885407-10  
E-mail: [bauergruppe-ombudsmann@hugger-pollin.de](mailto:bauergruppe-ombudsmann@hugger-pollin.de)  
[www.hugger-pollin.de](http://www.hugger-pollin.de)

## 6. Implementation and responsibility

The entire BAUER Group implements this Declaration of Principles. Responsibility lies with the Executive Board of BAUER Aktiengesellschaft. The managing directors of our subsidiaries are responsible for the local implementation of this Declaration of Principles. We have also appointed a group-wide human rights officer to perform the following tasks:

- Monitoring risk management and risk analysis with regard to compliance with due diligence obligations concerning human rights and environmental protection,
- Monitoring the complaint process,
- Monitoring the appropriateness and effectiveness of preventive and corrective measures,
- An annual and event-related reporting to the Executive Board – including publication on the Internet as well as
- an audit-proof documentation of the tasks outlined above.

## BAUER Aktiengesellschaft

Schrobenhausen, October 2023

### The Executive Board

A handwritten signature in blue ink, appearing to read "Fl. Bauer".

Dipl.-Ing. (FH)  
Florian Bauer, MBA

A handwritten signature in blue ink, appearing to read "P. Hingott".

Peter Hingott