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KARL MAYER Holding SE & Co. KG

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# DECLARATION OF PRINCIPLES FOR THE RESPECT FOR HUMAN RIGHTS

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November 1, 2023

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## 1. Introduction

The KARL MAYER Group (hereinafter 'KARL MAYER') conducts itself based on trust, fairness, and reliability. It assumes its corporate responsibility in economic, environmental, and social terms. Respect for human rights is a fundamental part of this responsibility for the KARL MAYER Group. This Declaration of Principles on Respect for Human Rights incorporates and supplements our guidelines in the KARL MAYER Code of Conduct (Code of Conduct | KARL MAYER).

We view compliance with laws and regulations as an essential basic principle of responsible conduct. We comply with the applicable legal obligations and requirements and act in accordance with ethical principles. We are committed within this framework to upholding the following international standards:

- The Universal Declaration of Human Rights
- The International Covenant on Civil and Political Rights
- The International Covenant on Economic, Social and Cultural Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The United Nations Guiding Principles on Business and Human Rights

This Declaration of Principles was adopted by KARL MAYER's management and represents a binding basis for KARL MAYER's human rights due diligence obligations as defined in the German Supply Chain Sourcing Obligations Act (LkSG).

## 2. Human rights

KARL MAYER is committed to protecting the following human rights particularly in the course of its own business activities and also applies this expectation to its direct suppliers:

**Prohibition of child labour:** KARL MAYER strictly rejects any form of child labour. We respect the right to education and observe the minimum age for employment as defined in national legislation or internationally recognized standards.

**Prohibition of forced or compulsory labour:** We reject any form of forced or compulsory labour.

**Right to health and safety at work:** Occupational health and safety are incorporated into the technical and economic considerations of all KARL MAYER operations from their inception. Each member of the workforce promotes health and safety in their work environment and complies with the relevant regulations.

**Freedom of association, right to collective bargaining and right to strike:** KARL MAYER recognizes our employees' rights to freedom of association, to join or associate with trade unions, to collective bargaining and to strike as defined by the laws at the place of employment.

**Equal opportunity and protection from discrimination:** A culture of equal opportunity, mutual trust and respect is of great importance to us. At KARL MAYER, we treat all employees, partners and customers equally, regardless of gender, age, skin colour, culture, ethnic origin, sexual identity, disability, religious affiliation or ideology.

**Compensation and benefits:** Compensation and other benefits at KARL MAYER are at least in accordance with the legal requirements of the respective country in which we operate with our companies.

**Human rights and the environment:** Sustainable environmental and climate protection as well as resource efficiency are important corporate objectives for us at KARL MAYER. We take responsibility for our environment: We attach importance in all our business activities to environmental friendliness as well as energy efficiency – from product development and production to packaging and transport. Substances classified as hazardous under the German Supply Chain Sourcing Obligations Act (LkSG) such as mercury and persistent organic pollutants are not used at KARL MAYER.

**Protecting local communities and indigenous peoples:** At KARL MAYER, we consider the local impacts of our business activities and respect the rights of local communities and indigenous peoples.

**Protecting human rights when using security forces:** If we at KARL MAYER use private or public security forces to protect our operations, internationally recognized human rights must be respected. At KARL MAYER, we reject the use of private or public security forces for torture, inhumane treatment or harm to life and limb.

## 3. Implementing due diligence obligations

### 3.1 Own business area and direct suppliers

#### 3.1.1 Risk management and responsibility

We have established a risk management system at KARL MAYER to ensure compliance with due diligence obligations and directly along our supply chain. Responsibility for risk management and its continued development lies with the Compliance department or the Purchasing department of the VP Global Sourcing.

Every manager at KARL MAYER is responsible for fulfilling the human rights due diligence obligations in their area. Managers are required to inform their employees regarding the content of this Declaration of Principles.

#### 3.1.2 Risk analysis

We conduct a risk analysis on an annual basis and as warranted to identify human rights and environmental risks at KARL MAYER as well as at direct suppliers. Country risks and business model risks are also taken into account. The identified human rights and environmental risks

are assessed using the criteria of scale, scope and irremediable character as defined in the UN Guiding Principles, as well as the probability of occurrence.

Based on our business model and the countries in which we operate, our prioritized risks for our own business area and in the supply chain are child labour, forced labour, and disregard for occupational health and safety.

The detailed results are communicated on a regular basis and as warranted to the management of the KARL MAYER Group.

The implementation and effectiveness of the performance of the risk analysis is reviewed annually.

### **3.1.3 Measures**

Based on the results of the risk analysis, measures are implemented to take preventive action against possible violations of the human rights due diligence obligations. For our own business area, this includes measures such as implementing human rights due diligence as part of the procurement strategy and employee training. Furthermore, implementation of human rights due diligence by our direct suppliers is checked based on risk with the use of questionnaires or on-site audits.

If a violation of due diligence or a violation of human rights is determined to have already occurred at KARL MAYER or at one of our direct suppliers, we will endeavour to use appropriate remedial measures to put an end to it.

The measures taken are evaluated and their effectiveness is reviewed annually.

### **3.1.4 Complaints procedure**

Information about human rights and environmental risks or violations within KARL MAYER's own business activities as well as the business activities of our suppliers can be reported through the following channels:

- The Chief Compliance Officer of the KARL MAYER subsidiaries: Ms. Angela Weiland,  
Contact: [Compliance@karlmayer.com](mailto:Compliance@karlmayer.com)
- The ombudspersons of the KARL MAYER subsidiaries: Bakertilly, Nymphenburger Strasse 3b, 80335 Munich.  
Office hours Mon–Fri 8.00 am–6.00 pm,  
Contact: +49 89 550 66-554 / [Ombudsperson.karlmayer@bakertilly.de](mailto:Ombudsperson.karlmayer@bakertilly.de)
- The complaints system of the KARL MAYER subsidiaries:  
<http://whistle-blowing-system.karlmayergroup.com>

In addition to these channels, employees are also free to contact the responsible Human Rights Coordinator locally or the KARL MAYER Human Rights Officer globally.

The complaint procedure ensures impartial, independent and confidential action.

The instructions for our complaints procedure are publicly available on our website and also posted in all our companies.

The complaints procedure is evaluated and its effectiveness is reviewed annually.

## **3.2 Indirect business partners/suppliers**

If KARL MAYER obtains significant indications that a violation relating to human rights or an environmental obligation at indirect suppliers appears possible, KARL MAYER will immediately perform a risk analysis. On the basis of this analysis, a concept for preventing, terminating or minimizing will be compiled by the originator.

## **4. Documentation, auditing and audit reports**

We publish our annual report on the fulfilment of human rights due diligence obligations as stipulated in the German Supply Chain Sourcing Obligations Act (LkSG) on our corporate website. In addition, this report is submitted to BAFA for review.

## **5. Communication**

This Declaration of Principles is made available to all our employees and their representative bodies in a suitable form and is published.

## 6. Contact

**Ms Angela Weiland**, Human Rights Officer

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