



## Human right

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# DECLARATION OF PRINCIPLES ON THE HUMAN RIGHTS STRATEGY

## Introduction

The AGROLAB GROUP is committed to respecting human rights and protecting the environment. It is the declared aim of the management to respect, protect and promote human rights and the environment along the entire value chain. Violations of internationally enshrined human rights and national and international environmental protection regulations are not tolerated.

The following international regulations, to which the AGROLAB Group is committed, form the basis of the human rights and environmental due diligence obligations:

- International Bill of Human Rights (<https://www.un.org/en/about-us/universal-declaration-of-human-rights>)
- the ILO Declaration on Fundamental Principles and Rights at Work (<https://www.ilo.org/declaration/thedeclaration/textdeclaration/lang--en/index.htm>)

The principles of human rights and environmental strategy set out in this declaration apply throughout the AGROLAB Group and must be observed by the site managers and employees of all branches and sites in the performance of their duties. The AGROLAB Group also expects all business partners to comply with human



rights and environmental obligations from all business partners. Respect for and observance of human rights and environmental obligations is the basic prerequisite for cooperation with the AGROLAB Group.

## Respect for human rights and the environment throughout the supply chain

The AGROLAB Group takes appropriate and effective measures to identify and verify human rights and environmental risks in its own business area and in the entire supply chain and to prevent the realization of risks. If it is determined that a violation of a human rights or environmental obligation has occurred or is imminent, measures are taken to end the violation or minimize its consequences.

All measures taken as part of our human rights and environmental responsibility follow the principle of "empowerment before retreat": We are committed to supporting our business partners in preventing and ending violations of human rights or environmental regulations before we abandon business relationships or switch to alternative sources of supply.

## Measures for effective risk management

The due diligence obligations are implemented for the company's own business area and the entire supply chain as part of a risk management system. Through the horizontal and vertical integration of due diligence obligations into all relevant business processes, the AGROLAB Group ensures that risks are identified and preventive and remedial measures are implemented in a targeted manner.

Risk management is controlled and monitored for all AGROLAB Group sites and branches by the central sustainability management team at AGROLAB GmbH.

### Effective risk management

A software-supported risk management system is used to set up processes for implementing the due diligence obligations and define responsibilities, competencies and reporting lines.

The due diligence obligations are anchored horizontally within the AGROLAB Group. All relevant departments - Sustainability, Quality Management, Purchasing, Production, Logistics - are involved in the implementation steps depending on the specific issue. The central Corporate Sustainability / Social Responsibility Manager (CSRSM) is responsible for the operational management of the implementation of the due diligence obligations. The detailed tasks of this position are set out in a job description, which is published in the AGROLAB internal WIKI and can therefore be viewed by all employees.

Due diligence obligations are anchored vertically by defining supervisory and coordination responsibilities at management level. Overall responsibility for the implementation of human rights and environmental due diligence obligations lies with the Executive Board. The CSRSM reports directly to the Management Board.

The CSRSM also assumes the role of Human Rights Officer within the AGROLAB Group and, in this function, monitors risk management for its own business area and for the entire supply chain and carries out regular effectiveness reviews. The Human Rights Officer also reports directly to the Management Board in this function.

### Identifying, weighting and prioritizing risks

The AGROLAB Group carries out risk analyses with regard to compliance with human rights and environmental obligations within its own business area and at its direct suppliers. In doing so, we draw on both internal and external expertise. The complexity and scope of our international supply chain require the use of



technical software solutions that support us in identifying, verifying, weighting and prioritizing risks.

Our risk analysis system enables us to determine the individual risks of each business partner. Based on general supplier information - in particular country of origin and industry (NAS code) - an abstract risk analysis is carried out based on a large number of recognized indices and studies by external experts. We then check business partners for specific human rights or environmental risks on the basis of supplier self-assessments, an AI-driven media analysis tool, verified certifications and our own findings from inspections or business processes.

We weight and prioritize risks by comparing the typically expected severity of a possible infringement and its irreversibility with the probability of occurrence. We also take into account the degree of our influence in order to prioritize risks and take targeted action where our measures are highly likely to reduce the risk or the extent of violations. We use a risk matrix to identify our need for action and initiate preventive and remedial measures where they are necessary and promising.

### Take preventive action

The comprehensive risk analysis is supplemented by appropriate and effective preventive measures.

An internal Code of Conduct applies in our own business area, which clearly and comprehensibly summarizes the expectations and rights of employees. This is binding for all employees of the AGROLAB Group and is available to employees in all languages on the AGROLAB internal wiki.

The AGROLAB Group offers training and educational opportunities that employees can take advantage of. The employees entrusted with the implementation of human rights and environmental due diligence obligations regularly take part in further training measures in order to be able to implement the international requirements for human rights and environmental protection throughout the entire supply chain. It is our aim to also offer our business partners training and further education opportunities so that they too are empowered to help enforce human rights and environmental protection in their business activities.

We carry out regular and ad hoc checks in our own business area in order to identify and minimize risks at an early stage. We monitor business partners within the scope of legal possibilities and requirements.

We require business partners to pass on our human rights and environmental expectations in the supply chain and to monitor compliance on an ongoing basis. To this end, our Supplier Code of Conduct forms the basis for entering into a new business relationship.

Our Supplier Code of Conduct (SCoC) is published on the Internet and compliance with the requirements set out in the SCoC is required of all our suppliers.

### Provide a remedy

Effective remedial action shall be taken when a violation of a human rights or environmental obligation occurs or is imminent.

The AGROLAB Group initiates remedial measures immediately after identifying a corresponding violation. We develop customised remedial measures for each situation and each direct or indirect supplier in order to put an end to violations in a targeted manner. At the same time, we have developed a series of framework measures that can be activated immediately as a modular system and filled with specific content in response to violations.



For each corrective measure, we define a process, success targets and clear internal company responsibilities. Each corrective action contains a concrete timetable and can be provided with interim targets. The system-supported action processes link all relevant stakeholders.

### Follow up on tips

An important role in identifying risks and violations in the supply chain is played by a functioning complaints procedure that is accessible to all those affected in the supply chain - from employees and suppliers to third parties who are affected by our activities or those of our suppliers. It is important that information can be submitted anonymously and confidentially.

Our web-based whistleblowing system is multilingual and recognises the complexity of our supply chain. Any access threshold is set low to make the submission of reports as easy as possible.

Whistleblowing is handled confidentially and swiftly. The employees involved in processing complaints are not subject to any instructions as part of the complaints management process; their neutrality is guaranteed. Every complaint triggers an evaluation and action process, which ends with the cessation of the reported violation or the minimisation of an identified risk.

Information and complaints submitted are also automatically taken into account as part of the risk analysis.

### Responsibility throughout the supply chain

The AGROLAB Group takes its responsibility for the entire supply chain very seriously. Accordingly, we also extend our risk analysis to suppliers who do not have a direct business relationship with us but are part of our supply chain.

The long-term goal is to create complete transparency in the supply chain. Despite the understandable conflicting interests of some business partners, we endeavour to identify indirect suppliers and include them in the risk analysis. To this end, we rely on close cooperation with our direct business partners in order to increase transparency in the supply chain in a cooperative manner and for the benefit of all.

### Documentation and reporting

The implementation of all due diligence obligations is documented on an ongoing basis. We use a centralised risk management system to network all the information available to us on identified risks and the preventive and remedial measures taken.

We are also committed to transparent communication on the human rights and environmental challenges to which the AGROLAB Group is exposed. Through our public reporting, we communicate recognised risks, measures taken and the progress made at least once a year.

### Prospects

The AGROLAB Group is committed to continuously reviewing, developing and improving its own measures. The effectiveness and efficiency of all human rights and environmental due diligence obligations must be guaranteed at all times. Effectiveness reviews are carried out on an ad hoc basis and at least once a year.



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