HUMAN RIGHTS DIRECTIVE



OUR RESPONSIBILITY

The corporate culture of the ODU Group is based on various values. These are openness, appreciation, trust, transparency and responsibility. Accordingly, we base our corporate governance on ethical principles.

The ODU Group is committed to the International Bill of Human Rights. This includes a clear stance for our companies on human rights and high environmental and social standards. We are committed to upholding these in our global business activities. We expect the same from our suppliers. We rely on trust-based business relationships, which also include an appropriate degree of control. This gives us credibility. Our holistic and strategic approach forms the basis of our Group-wide actions to respect human rights and the associated environmental rights. We think long-term and holistically. This begins with respect for human rights and the sustainable extraction of raw materials in our supplier network, and extends to our distribution networks.

We are convinced that exemplary corporate governance can only be based on respect for people and the environment.

The management board

Dr. Henner Spelsberg Dr. Josef Leitner Robert Klemisch

1. OUR COMMITMENT TO RESPECT HUMAN RIGHTS & RELATED ENVIRONMENTAL STANDARDS

The ODU Group accepts its social responsibilities and is particularly aware of its corporate responsibility to respect human rights and the associated environmental rights. We respect human rights and the associated environmental rights not only in our own business area, but also work to ensure compliance with these fundamental rights in our supply chain. In order to meet this requirement, we demand that new and existing suppliers and other business partners comply with our standards. We provide access to remedial measures for those affected by violations of their human rights and the related environmental rights. Where necessary, we involve relevant external stakeholders in our actions. We use internal regulations and instructions as guidelines to help us comply with the legal provisions regarding human rights and environmental due diligence. On this basis, we are committed to complying with the following international standards:

- The International Bill of Human Rights, consisting of the United Nations Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR)
- The UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the ILO Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and ILO Standard 169
- The Guidelines for Multinational Enterprises published by the Organization for Economic Cooperation and Development (OECD) and
- The ten principles of the UN Global Compact Act

Sustainable management can only be effective if it encompasses the entire supply chain. We therefore not only set high standards for ourselves, but also demand ecological and social standards from our suppliers and other business partners. We enter into dialog with existing suppliers on the basis of our contracts and the Supplier Code of Conduct.

¹ In addition, see the ODU Environmental Guideline

2. HUMAN RIGHTS-RELATED RISKS WITHIN OUR SPHERE OF INFLUENCE

We review any human rights-related risks that may arise in the course of our business activities. We investigate every indication of human rights violations. In order to act as proactively and preventively as possible, we focus our human rights-related due diligence processes on the issues where we have identified the greatest risks to human rights.

BAN ON CHILD LABOR

Children must not be kept from their education by gainful employment and thus restricted in their development. Their dignity must be respected and their safety and health must be protected. In accordance with the ILO core labor standards, we comply with the minimum age for employment in accordance with the applicable national regulations and strictly reject child labor. This applies in particular to the worst forms of child labor for children and young people under the age of 18, such as hazardous work, slavery-like conditions or immoral activities. We therefore check, for example, whether applicants and employees have reached the minimum age for employment and which tasks minors are permitted to perform.

BAN ON FORCED LABOR

In general, we do not tolerate any form of forced or compulsory labor. In accordance with the ILO core labor standards, we strictly reject the use of forced or unlawful compulsory labor in our business activities throughout the supply chain. This also includes all forms of modern slavery and human trafficking. All employment contracts with the ODU Group or with companies and suppliers commissioned by it must always be voluntary. All employment relationships can be terminated by either party subject to reasonable or statutory notice.

FREEDOM OF ASSOCIATION & RIGHT TO COLLECTIVE BARGAINING

We respect the right of workers to form employee representative bodies and to conduct collective bargaining to regulate working conditions. The culture of the ODU Group is characterized by trusting and constructive collaboration with the respective employee representatives. Even with different points of view, the goal remains to maintain sustainable cooperation for the benefit of the employees and the company. Employees are neither favored nor disadvantaged on the basis of their membership or non-membership of a trade union or employee representative body. At locations that do not have employee representation, we promote regular dialog between employees and management.

PROTECTION AGAINST DISCRIMINATION

Equal treatment is a fundamental principle of our corporate policy. We do not tolerate discrimination or unequal treatment of any kind. Throughout our supply chain, we are therefore committed to ensuring that no one is disadvantaged, favored or harassed on the Basis of characteristics such as gender, skin color, religion, nationality, political or other beliefs, ethnic origin, disability, age, sexual orientation, gender identity, marital status or any other characteristic protected by local law, such as membership of a national minority, trade union membership, pregnancy or former military service (veteran status).

We are in favor of government programs that serve to overcome the consequences of discriminatory practices or other disadvantages from the past. We also actively promote diversity within the company and an open, inclusive corporate culture.

ETHICAL RECRUITMENT

Potential employees must not be misled or deceived about the nature of the work, and employers may not demand payment of recruitment fees from the workers or confiscate, destroy, conceal, or deny employees access to passports and other government-issued identification documents belonging to them. All employees receive a written contract or employment notification at the beginning of their term of employment in a language they understand well and in which their rights and obligations are set out truthfully and clearly.

WOMEN'S RIGHTS, DIVERSITY, EQUAL OPPORTUNITIES & INCLUSION

ODU is committed to equal employment opportunities regardless of the employee's gender and offers equal pay for equal work. We promote and develop an inclusive culture where diversity is valued and celebrated and where everyone can make their full contribution and reach their full potential. We also promote diversity at all levels of the workforce and management.

RIGHT TO HEALTH & SAFETY IN THE WORKPLACE

Protecting and promoting the health of the people who work for us is our top priority. We consistently comply with the applicable occupational health and safety laws worldwide and set our own standards that go beyond this. Our aim is to ensure the well-being of employees in the supply chain and to ensure that no one comes to harm as a result of their work. In our opinion, a healthy working environment includes, among other things:

A) WORK ENVIRONMENT

A work environment that meets or exceeds local and national safety, health and fire regulations and encourages remote workers to understand and apply best practices.

B) PERSONAL PROTECTIVE EQUIPMENT

Employees must be provided with the necessary personal protective equipment (PPE) and it must be ensured that they know how and when to use it.

C) PREPAREDNESS FOR EMERGENCIES

The risk of occupational hazards must be reduced and a plan must be developed to prepare for and respond to emergencies.

D) MANAGEMENT OF INCIDENTS & ACCIDENTS

Hazard and risk analysis systems should be developed to minimize the potential for incidents or accidents in the workplace. An investigation system should aim to identify the root cause and a corrective action system should ensure that all permanent measures have been taken to minimize the likelihood of recurrence.

E) CONTRACTORS

The health and safety of contractors as part of a company's extended supply chain must be managed appropriately. Suppliers should coordinate their procurement processes to identify hazards and assess and control risks arising from the contractor's business activities with the supplier, and from the company's business activities themselves, that affect the contractor's employees.

RIGHT TO FAIR REMUNERATION

We offer our employees competitive and performance-related remuneration, supplemented by additional benefits. Uniform global principles form the basis for a globally appropriate remuneration system. Where applicable, our employees' remuneration complies with the locally applicable statutory minimum standards and minimum wages for the respective economic sectors. Wages and expenses to be reimbursed are paid punctually, in full and in recognized currencies, and may only be withheld if there is a sufficient legal basis and a corresponding justification.

WORKING HOURS

The ODU Group's working time principles take both operational and individual concerns into account. For us, working time is also an expression of employer attractiveness. The work-life balance is very important to us. We are guided by the ILO core labor standards and comply with the applicable national working time regulations. We support the companies of the ODU Group worldwide in structuring their working time requirements accordingly. This includes compensation for overtime worked — in the form of time off or appropriate remuneration.

DEPLOYMENT OF SECURITY STAFF

Furthermore, we do not tolerate unlawful behavior on the part of security personnel towards our employees or third parties. The companies we commission work exclusively to protect our administrative and production buildings.

RIGHTS OF LOCAL COMMUNITIES & INDIGENOUS PEOPLES

We consider the livelihoods and health of local communities and, where relevant, indigenous peoples in our business activities. We take risk scenarios into account such as air, water and soil pollution, deforestation, improper handling of hazardous waste or the extraction of groundwater in regions with water scarcity when deriving our specific fields of action, also to safeguard the legal positions of the aforementioned groups of people. We are also resolutely opposed to the destruction of cultural and ritual sites as well as unlawful evictions and the seizure of land, forests and bodies of water.

In addition, it is our declared goal to minimize disruption to the local population as much as possible during construction work at our locations and during ongoing operations. We strive to use environmentally friendly and resource-efficient processes and procedures at our locations and to avoid any negative impact on the local population.

In particular, forced evictions and the seizure of land, forests and water must be avoided when acquiring, developing or otherwise using land, forests and bodies of water.

DEALING WITH HIGH-RISK RAW MATERIALS

In principle, we pursue a risk-based approach in order to avoid any negative impact on human rights or the environment through the handling of raw materials. In our risk analyses, we take into account that some of the raw materials used in the manufacture of our products may be hazardous to people and the environment during procurement and processing, and require special measures.

We therefore act in accordance with the Minamata Convention on Mercury of October 10, 2013, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of March 22, 1989 and the Stockholm Convention on Persistent Organic Pollutants of May 23, 2001 (POPs Convention).

Further environmental issues are regulated in the ODU environmental guideline, see also REACH and RoHS declarations, as well as the ODU guideline on conflict minerals.

PROTECTION OF PERSONAL DATA

Protecting the personal rights of employees, customers and other business partners with regard to the use of their personal data is very important to us. Our focus is on compliance with the applicable local data protection regulations. In the case of employee data, we align our data protection measures with the German and European legislation in order to protect personal rights throughout the Group. We therefore work to protect the rights and freedoms of every individual, including the right to access, rectify, block or erase their personal data.

3. OUR APPROACH TO IMPLEMENTING OUR DUE DILIGENCE OBLIGATIONS FOR PEOPLE & THE ENVIRONMENT

Upholding human rights and the associated environmental rights is an ongoing process for us. We continuously review the implementation of our due diligence obligations with regard to changing framework conditions, the type and scope of our business activities and insights gained by addressing reports. Based on this information, we are constantly developing our human rights and environmental due diligence processes within the ODU Group and in our relationships with our suppliers and other business partners. If national law prevents the implementation of individual aspects of these declared principles, we strive to ensure that human rights and related environmental rights are enforced to the maximum extent possible within the given legal framework.

In order to fulfill our duty of care, we examine the potential and actual impact of our business activities on people and the environment. To this end, we have established a management process that enables us to identify and prioritize relevant risks, as well as people potentially affected by our business activities, in the context of direct and indirect business relationships. Our management process also incorporates external perspectives, including feedback from the community and reported incidents.

SCOPE

The scope of our corporate duty of care extends across the ODU Group's own business area, including all Group companies over which we as the ODU Group have a decisive influence, as well as employees and business partners along our entire supply chain. This also includes other groups that are directly or indirectly affected by the activities of the ODU Group.

OUR EMPLOYEES

Respect for human rights is an integral part of the ODU Group's corporate culture and part of our shared understanding of values. Our employees are obliged to comply with the provisions of this declaration of principles. This code reaffirms our commitment to respecting human rights and specifies how we uphold human rights and related environmental rights, and implement the ILO core labor standards in our business activities worldwide. Global compliance with these fundamental principles and rights is of the utmost importance to us.

DEALING WITH SUPPLIERS & OTHER BUSINESS PARTNERS

For us, the commitment of our suppliers and other business partners to fulfill their social responsibilities is an indispensable prerequisite for any form of collaboration. Our Supplier Code of Conduct forms the basis for our supplier relationships in the form of basic principles, standards to be observed and requirements relating to sustainability. It is an integral part of the documentation for new suppliers and of our contractual terms and conditions.

For our other business partners, our human rights and environmental due diligence requirements are enshrined in all contracts.

Dealer agreements specify the requirements for our sales partners. We also inform all partners about our requirements, e.g., at dealer conferences.

AFFECTED & POTENTIALLY VULNERABLE GROUPS

Along our global value chains, the following groups of people may be affected either potentially by our business activities or in the course of their business activities with regard to human rights and related environmental rights issues:

Our own employees (including temporary workers and trainees), employees of business partners, employees in our direct and indirect supply chain, groups of people with an indirect link to the supply chain, members of local communities and indigenous peoples.

In order to effectively fulfill our due diligence obligations, we identify those individuals within these groups who are subject to a higher risk of an adverse impact on their human rights. These potentially affected parties occupy a special position within our due diligence processes. We are aware that people who stand up for and defend human rights in particular may be exposed to the risk of being threatened, intimidated, defamed or criminalized. We firmly reject such an approach and, if necessary, seek dialog and constructive collaboration with the group concerned.

4. RISK MANAGEMENT & RESPONSIBILITIES

We are deeply committed to improving the human rights situation within our supplier network and along our global supply chains. We are also committed to continuously developing our human rights and environmental due diligence processes. Respecting human rights and the associated environmental rights in our business activities and in the supply chain is of paramount importance to the ODU Group. The management board of the parent company of the ODU Group therefore receives regular and ad hoc information on the implementation of and compliance with legal regulations and the measures based on them.

Responsibility for effective implementation lies with the relevant operating subsidiaries of the ODU Group and the respective business partners, who must fulfill the due diligence obligations that apply to them.

The ODU Group has appointed a human rights officer to support and monitor these due diligence requirements and processes.

Within the ODU Group, there are clear responsibilities within the overarching concept of respecting human rights and the associated environmental rights, including those designed to guide our due diligence processes in our own business area and through other business partners. The purchasing department is responsible for compliance with legal regulations in the supplier network. Other departments such as occupational safety and environmental protection report regularly and on an ad hoc basis not only to the management board but, if necessary, also to the human rights officer.

In order to identify risks and continuously evaluate our measures, we are committed to ongoing dialog with people who could potentially be negatively impacted in terms of their human and environmental rights by our business activities and along our supply chain.

RISK ANALYSIS

The basis of our actions within the scope of our corporate duty of care is an appropriate risk analysis. We examine the human rights and environmental risks as well as any impact from our business activities.

The risk analysis may be updated immediately in the event of a change in business activities or if we receive substantiated information to this effect. When preparing the risk analysis, we take into account the nature and scope of the ODU Group's business activities as a company with a high level of vertical integration.

We draw on digitalized risk data and analysis processes, business partners and selected stakeholders, including representatives of affected or potentially affected groups. We carry out the analysis in our own business unit of the ODU Group, for all suppliers and our other business partners as follows:

A) RISK IDENTIFICATION

Our approach is based on systematic data collection and processing to identify risks associated with human rights and the environment. This is done on the basis of external data sources, which are used to determine country-specific risks and product group risks (purchasing) or business purpose-specific risks (by our own business unit and other business partners). Insights gained in the course of implementing measures and through our complaints mechanisms are successively incorporated into our risk identification process as additional data points in the interests of continuous process improvement.

B) RISK ANALYSIS & EVALUATION

The data is then evaluated and weighted. We use the statutory appropriateness criteria "severity" and "probability of occurrence" as a moderating factor. As a result, findings on abstract risk exposure are made available. If risks are identified in this overarching assessment, a detailed analysis of the respective risks is carried out. Through control measures, such as a questionnaire or an audit, we try to substantiate the risk exposure and identify any actual negative impacts on people and the environment.

C) PRIORITIZATION OF RISKS

The risks are then prioritized according to their severity and our degree of responsibility. We determine the latter using appropriateness criteria such as "influence" and "contribution to causation". We use the knowledge gained about human rights and environmental risks and impacts for our corporate decision-making processes.

The results also serve as a basis for us to adapt internal regulations, processes and training if necessary and to take account of changes to our due diligence processes as part of the annual adjustment process.

5. CONTROL, PREVENTION & REMEDIAL MEASURES

We take appropriate measures to fulfill our responsibility to respect human rights and protect the environment. We pursue a risk-based approach. This means that we derive all measures from the results of the risk analysis and prioritize them accordingly. Our declared goal is to protect (potentially) affected persons and to ensure that any adverse impact on their human rights and the environment is avoided or at least mitigated.

A) CONTROL MEASURES

The aim of the control measures is to investigate risks and indications and to check with the necessary thoroughness whether there have actually been any infringements.

Within the ODU Group, these reviews are carried out by the respective specialist departments of the ODU Group. Information is obtained from new suppliers as part of the process of commissioning the supplier; in the case of existing business relationships, control measures are mainly carried out on an ad hoc basis.

In the event of a high-risk situation, complex risk issues or violations that have already occurred, we carry out human rights impact assessments on site. The goal of the latter is to better understand the structural causes of the violations in order to be able to provide effective remedies.

Our control mechanisms are coordinated with relevant stakeholders as required and form the basis for deciding on appropriate preventive and corrective measures.

The companies of the ODU Group will involve the Compliance department for both mandatory preventive and corrective measures, which will then bring the matter to the attention of the management board of the parent company ODU GmbH & Co KG.

B) PREVENTIVE MEASURES

In terms of preventive measures, we distinguish between voluntary and mandatory measures in our own business area and at our direct or indirect suppliers. We decide whether a measure is mandatory or voluntary, taking into account the principle of appropriateness. The range of measures is diverse, but always pursues the goal of mitigating the risks to people and the environment on site.

We promote the effective protection of human rights and environmental due diligence processes through regular, comprehensive training within our company. In this way, we sensitize all our employees to the issue of human rights and environmental due diligence. We also ensure that the appropriate specialist knowledge is imparted in the relevant business areas.

In our own business area, but also in the supply chain, we also focus on training and systematic dialog and cooperation with employees.

C) REMEDIAL MEASURES

In terms of remedial measures, we differentiate between violations in our own business area and at a direct or indirect supplier. In our supply chain, especially in the case of indirect suppliers, the companies of the ODU Group take action if they have substantiated knowledge of a violation. We initially respond to justified suspicions of violations that have already occurred or specific indications from ongoing media monitoring by carrying out an event-related risk analysis.

If we discover that we, as the ODU Group, or our direct or indirect suppliers have violated human and/or related environmental rights or that such a violation is imminent, we will take immediate remedial action to prevent, stop or minimize the violation. If the behavior of our employees leads to a violation of human rights or associated environmental rights, we will take action to counteract this and impose sanctions.

We require our business partners to cooperate appropriately in the implementation of these measures in order to clarify the situation quickly in such cases and/or to prevent, mitigate or remedy any possible violations. Depending on the extent of the infringement, we reserve the right to demand that our business partners rectify the situation immediately, take legal action, temporarily suspend the relevant business relationship or terminate it as a last resort.

6. EFFECTIVENESS CONTROL

We review whether our due diligence process and our measures to prevent or mitigate negative human rights-related and environmental impacts are effective, and whether our topic-specific and procedural requirements are being met. We also investigate any evidence of human rights violations and monitor the effectiveness of our education and training measures in this regard. We continuously review the effectiveness of our measures in our supply chain. To validate the impact of our measures, we carry out risk-based reviews of environmental and social standards using various risk tools and assessment procedures, such as document reviews, on-site inspections and employee surveys. Where possible, we always involve potentially affected parties or their representatives and ensure that rights-holders are consulted.

A) GRIEVANCE MECHANISMS

Appropriate grievance management is an integral part of our due diligence processes so that we can effectively prevent and remedy any negative impact on human rights and the environment. We systematically investigate all reports and justified suspicions of violations of human rights or related environmental rights. As whistleblowers potentially run the risk of being threatened or suppressed, we assure them of confidentiality so that they are not threatened with reprisals. The information also helps us to continuously improve our human rights and environmental due diligence processes.

B) REPORTING

Reporting is carried out in accordance with legal obligations. From 2025, reports for the previous financial year will be included in the annual report.

7. ABOUT THIS DECLARATION OF PRINCIPLES

As the challenges for companies with regard to respecting human rights and the associated environmental rights are constantly changing, we will continuously review our human rights position and its implementation to ensure that it is up to date and effective. Important changes in the immediate environment of the ODU Group can thus be recorded and internal processes adapted accordingly.

This declaration of principles has no retroactive effect and entered into force on December 1, 2023. No rights of individuals or third parties can be derived from it.

We review this declaration of principles annually and as required and will update it immediately if we identify any changes or additional risks.

8. CONTACT

If you have any questions or comments about this declaration of principles or other human rights-related issues, please send an e-mail to

Complaints or reports of non-compliance with this declaration of principles may be addressed to

APPENDIX: DEFINITIONS

ODU has established an appropriate and effective complaints management system that is publicly accessible. We have made information on this available in a code of procedure. Information from third parties about possible violations of human rights and environmental violations is treated confidentially and processed as part of an appropriate process.

APPROPRIATENESS ensures that a company, depending on its specific risk disposition, undertakes what can reasonably be expected of it in order to prevent or eliminate identified risks. When designing the entire risk management process, prioritizing risks and deriving risk-based measures, appropriateness is assessed ex ante and in accordance with the UN Guiding Principles based on the following criteria: type and scope of business activity, severity, probability of occurrence, influence and contribution to causation.

CONTROLLING INFLUENCE is the influence that ODU GmbH & Co. KG can exert as the parent company where it holds a majority interest in a company and is able to control core processes at the subsidiary. A strong indication of this is often a personnel overlap on the management board or at the executive level, as well as the exertion of influence via the shareholders' meeting.

OUR OWN BUSINESS AREA comprises the locations and branches of the Group companies of ODU GmbH & Co. KG as well as other subsidiaries worldwide over which a determining influence exists – regardless of their location in Germany or abroad.

BUSINESS PARTNERS are persons and/or companies that have a contractual relationship with a company of the ODU Group.

HUMAN RIGHTS IMPACT ASSESSMENTS are carried out to research the causes and assess the consequences for human rights. We use them to systematically predict, identify and respond to the (potential) impact of business activities on human rights.

SUPPLIERS (INDIRECT)

are suppliers who are not in a direct contractual relationship with companies of the ODU Group, but whose deliveries are also necessary for the manufacture of our products and the provision of our services.

SUPPLIERS (DIRECT) are suppliers of products or services whose deliveries are necessary for the manufacture of our products and for the provision of our services, and who are in a direct contractual relationship with companies of the ODU Group in respect of their deliveries and/or services.

SUPPLY CHAIN refers to all products and services of the ODU Group. It encompasses all steps in Germany and abroad that are necessary for the manufacture of products and the provision of services, from the extraction of raw materials to delivery to our customers. It covers the actions of the ODU Group in its own business area, as well as the actions of direct and indirect suppliers.

A HUMAN RIGHTS-RELATED OR ENVIRONMENTAL VIOLATION refers to a violation of one of the international human rights and environmental conventions or prohibitions listed in the Supply Chain Due Diligence Act. This is an adverse effect that has already occurred.

RISK describes a potential impact. A human rights-related risk is therefore a violation of rights that could potentially occur. This refers to factual circumstances with a sufficient degree of probability that could lead to a violation of one of our obligations with regard to human rights or environmental obligations.

HIGH-RISK RAW MATERIALS are classified as such by the ODU Group if they are scarce and of crucial economic importance, or if their procurement and use is classified as critical in terms of human rights and associated environmental standards.

SECURITY PERSONNEL include both private and public security staff that are deployed to protect the company. They must not be associated with rights violations, infringements of employees' freedom of association and union, injury to life and limb or torture and inhumane treatment. When companies hire security staff, appropriate training and monitoring is necessary.

As a company, we obtain **SUBSTANTIATED KNOWLEDGE** if we have actual indications of a human rights-related or environmental violation at one of our indirect suppliers. This may be the case, for example, as a result of our own findings through our complaints procedure, investigation results or media reports as well as information from the responsible authorities.

CORPORATE DUE DILIGENCE OBLIGATIONS OR HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE OBLIGATIONS pursue the goal of respecting human rights and the environment, and avoiding or minimizing the corresponding risks within the company's sphere of influence.

VULNERABLE GROUPS are individuals or groups of people who are at particularly high risk of a violation of their human rights as a result of our business activities. This also includes people or groups of people who may have difficulty defending and asserting their human rights, such as children, people with disabilities, ethnic minorities, migrants and refugees.