

IABG policy statement on respect for human rights

1. Foreword

IABG is aware of its special responsibility for the protection of people and the environment, both within our own company and with suppliers and subcontractors. We are therefore expressly and without exception committed to respecting internationally recognised human rights as well as to high environmental and social standards and to implementing all associated due diligence obligations. IABG's aim is to minimise human rights and environmental risks wherever possible and to prevent harm to people and the environment. We are convinced that we can only be commercially successful in the long term if the impact of both our business activities and those of our suppliers and subcontractors is in harmony with people and the environment.

A handwritten signature in blue ink, appearing to read 'Schwarz', with a stylized flourish at the end.

Prof Dr Rudolf F. Schwarz
Industrieanlagen-Betriebsgesellschaft mbH
Chairman of the Management Board

2. Principles

We comply with the applicable law when conducting our business activities.

International and national standards define human rights and us in the implementation of due diligence obligations for IABG's human rights-compliant business activities:

- United Nations Guiding Principles on Business and Human Rights;
- United Nations Conventions on the Rights of the Child;
- Conventions and recommendations of the International Labour Organisation (ILO) on labour and social standards;
- Declaration of Principles of the International Labour Organization (ILO) on Multinational Enterprises and Social Policy (MNE Declaration);

- Guidelines of the Organisation for Economic Co-operation and Development (OECD) for multinational enterprises;
- Principles of the United Nations Global Compact (UNGC).

2.1. Affected and potentially vulnerable groups

Human rights and related environmental rights issues may be primarily affected by or in the context of our business activities:

- Own employees;
- Employees of business partners;
- Employees in the direct and indirect supply chain.

As part of our risk analysis and assessment (see 3.1.), potential risks for these groups of people are identified and assessed at regular intervals and appropriate measures are taken.

3. Implementation of human rights and environmental due diligence obligations at IABG

IABG is expressly committed to respecting human and environmental rights. In order to fulfil this responsibility as far as possible both in our own company and in our supply chain, we have implemented the various due diligence obligations from the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - LkSG) at IABG. We see this as a continuous process, particularly in light of new findings or changing framework conditions. The implementation of the specific measures is therefore subject to constant review and further development. We apply the measures listed below to comply with the requirements of the LkSG:

3.1. Risk analysis and assessment

As part of an annual risk analysis, which is conducted as a risk workshop with various hierarchical levels from different operational and central company divisions, potential risks to our business activities are identified, evaluated and, if necessary, backed up with measures.

For our direct suppliers, an abstract risk analysis is carried out prior to commissioning, taking into account various indicators such as country and industry-specific indices (provided by an

external service provider), which is repeated annually. In the event of an increased risk from this or knowledge of incidents of disregard for human or environmental rights, this is followed by a concrete risk analysis. Remedial measures are taken for identified risks and, if necessary, further generally applicable preventive measures are derived.

3.2. Information and complaints system

IABG has implemented a complaints procedure ([link to the complaints procedure regulations](#)) that is available to all relevant stakeholders within and outside our company. Whistleblowers are guaranteed confidentiality and anonymity on request.

3.3. Information & Training

All employees are regularly informed about our requirements in accordance with the IABG Code of Conduct, new developments and the latest news (e.g. intranet, information events, etc.) and receive online training. The relevant employees are also sensitised to the procedure for selecting and evaluating suppliers in accordance with the LkSG and receive more comprehensive training.

3.4. Preventive measures

As a preventive measure in our own business area, we have implemented the IABG Code of Conduct, which defines our requirements for the behaviour of all IABG employees and is binding.

The Code of Conduct is also binding for our suppliers, who undertake to comply with the principles before placing an order. We have also defined a Supplier Code of Conduct, which is attached to every supplier contract.

The IABG whistleblower system, which is available to both employees and external parties, is intended to serve as an additional preventive measure.

3.5. Reporting & documentation

From 2024, we will report annually to the Federal Office of Economics and Export Control (BAFA) on the fulfilment of our human rights and environmental due diligence obligations in the previous financial year. We will publish the report on our website no later than four months after the end of the financial year, where it will be accessible for seven years. Our procedures for fulfilling our statutory due diligence obligations are also documented on an

ongoing basis. We also retain the documentation for seven years from the date of its creation.

4. Expectations of the supply chain

We expect all our business partners, without exception, to commit to respecting all human rights and the associated environmental rights and to reflect this in the wider supply chain. All IABG suppliers and subcontractors sign the IABG Declaration of Commitment for Suppliers, which includes these principles and a commitment to the IABG Code of Conduct, before placing an order.

5. Review of effectiveness and further development

The effectiveness of IABG's human rights and environmental processes is reviewed annually and, if necessary, on an ad hoc basis. The processes are subject to continuous further development.

6. Contact person

The following colleagues are available to answer any questions regarding IABG's Declaration of Principles on Respect for Human Rights

- Human Rights Officer of IABG
Dr Evi Schuster (schuster@iabg.de)
- Central risk management & implementation LkSG
Susanne Baur (baur@iabg.de)