



1. Motivation

MEGGLE Group GmbH and all MEGGLE companies pursue the goal of preventing and minimizing all human rights and environmental risks and preventing or ending the occurrence of violations of their obligations in this regard. For this purpose, we comply with the corporate due diligence obligations resulting from the Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz) applicable to us in Germany.

The MEGGLE management has drawn up this Declaration of Supply Chain principles and is committed to comply with the mentioned standards.

This Declaration of Supply Chain Principles is an integral part of MEGGLE corporate policy and our daily activities. Our Code of Conduct contains important human rights and environmental obligations. Compliance with corporate due diligence obligations is and will remain an essential part of our actions.

This Declaration of Supply Chain Principles is based on the following international standards, which we are committed to respect:

- Universal Declaration of Human Rights
- United Nations Conventions on the Rights of the Child
- International Covenant on Civil and Political Rights of 19.12.1966
- International Covenant on Economic, Social and Cultural Rights of 19.12.1966
- Labour and social standards of the International Labour Organization (ILO)
- United Nations Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Minamata Convention on Mercury, Stockholm Convention on Persistent Organic Pollutants and Basel Convention on Hazardous Wastes and their Disposal

To respect human rights and to protect our environment obligations are derived from and defined by these standards. Our suppliers are also obliged to comply with these standards and to comply with them along the entire supply chain.

2. Due diligence procedures

In order to fulfil our legal supply chain obligations, it is necessary to set up an appropriate risk management system and integrate all relevant business processes. This includes regular and event-related risk analyses and the integration of preventive and remedial measures both within the company's own area of operations and vis-à-vis our suppliers. In addition, we have set up a whistleblower and complaints system that enables all affected parties to forward any violation. The fulfillment of our supply chain obligations is documented internally on an ongoing basis and we will issue an annual public report.

2.1 Own area of operations and direct suppliers

2.1.1 Risk management and responsibility

The MEGGLE Group operates a risk management system that ensures compliance with human rights and environmental obligations. The monitoring of the risk management falls within the scope and responsibility of MEGGLE Group's Human Rights Officer.

For the analysis of human rights and environmental obligations, the MEGGLE Group has appointed representatives from all relevant departments to the supply chain risk team. They analyze all risks twice a year as well as on an ad hoc basis, defines documents and implements preventive measures and take remedial actions.

Management is informed regularly, at least annually, about any risk potential. Every manager at MEGGLE is responsible to fulfill human rights obligations in their responsible area. Managers are obliged to inform their employees about this Declaration of Supply Chain Principles and our Code of Conduct.

2.1.2 Risk analysis

By analyzing abstract and concrete risks, potentially negative impacts of the actions of MEGGLE and its suppliers on human rights and environmental concerns as well as possible affected persons in the company's own area of operations and supply chains are identified. As a result of the knowledge gained, the MEGGLE supply chain risk team derives specific risks and defines appropriate goals for risk avoidance and minimization.

Based on this, MEGGLE develops prevention measures and remedial actions. Relevant stakeholders are to be involved and information from whistleblower and complaint procedures are to be used. All measures carried out are documented, checked for effectiveness and continuously improved. In order to determine the human rights and environmental risks within the MEGGLE Group as well as with our direct suppliers, we carry out risk analyses at least annually and on an ad hoc basis. At first, relevant country related and business model risks are taken into account. In case human rights and environmental risks are identified, a more in-depth assessment is carried out.

The detailed results are discussed in our supply chain risk team and form the basis for the development of our prevention and remedial actions. A summary risk report on supply chain risks is presented to MEGGLE management.

2.1.3 Preventive measures

In order to define preventive actions against possible violations of human rights obligations and, in particular, to reduce the identified risks, various measures are in place or have been implemented additionally.

MEGGLE has implemented risk assessments, regular trainings, and discusses relevant topics with the workers council. With regard to direct suppliers, human rights obligations are taken into account as part of our preventive measures, for example by our general and specific purchase terms and conditions including the Meggle Partner Code of Conduct and the adaptation of additional contractual conditions.

2.1.4 Remedies

If it is determined that any breach of a due diligence obligation or any violation of human rights or environmental obligation has occurred at MEGGLE or at one of our direct suppliers, we will apply the appropriate action to end such violation. We reserve the right to suspend or terminate the business relationship in certain cases. Our remedial measures taken are evaluated annually or on an ad hoc basis and their effectiveness is checked by the supply chain risk team.



2.1.5 Whistleblower and complaints procedures

Information on human rights and environmental risks or violations within MEGGLE's own business activities, but also within business activities of our suppliers, can be reported via our whistleblower and complaints system. The persons entrusted with the implementation of the whistleblower and complaint system are impartial, independent and are bound to secrecy. In addition to the whistleblower and complaints system, our employees are able to file a complaint via the company's internal reporting system.

2.2 Indirect business partners / suppliers

If we gain factual indications that cause a violation of a human rights-related or environmental due diligence obligation on the account of an indirect supplier – e.g. we gain substantiated knowledge of a matter – our supply chain risk team will conduct an event related ad hoc analysis of such risk. A risk analysis, adjusted prevention measures and new remediation actions will be suggested to the management to take immediate action.

3. Documentation and Reporting

An annual report on the fulfillment of our supply chain obligations is published on our company website in accordance with the law. In addition, this report is submitted to the Federal Office of Economics and Export Control (BAFA) in accordance within the law and legal timeframe.

4. Communication

This Declaration of our Supply Chain Principles is published on our website and will be updated and developed as necessary.

Managing Directors of MEGGLE Group GmbH

Matthias Oettel (CEO), Marcus Hormuth (COO), Henning Dehler (CFO)