

Policy statement on respect for human rights

Preamble

The Drees & Sommer corporate group (hereinafter also referred to as “Drees & Sommer”), which includes Drees & Sommer SE, Stuttgart, as well as all companies affiliated with Drees & Sommer in accordance with Section 15 AktG (Joint Stock Corporation Act), are committed to ecologically and socially responsible corporate governance. Our goal is to consistently advance the importance of human rights and environmental protection within our supply and value creation chains, and to stop violations of human rights and environmental laws.

We respect internationally recognised human rights, implement valid law, and ensure that human rights and environmental protection are equally respected in the course of our business activities. Our responsibility for respecting human rights and protecting the environment as the natural basis of life are founded on our human rights strategy, which is set forth in our policy statement.

A. Drees & Sommer's commitment to respect human rights and protect the environment

The human rights strategy is a fixed component of our compliance concept. The strategy differentiates between human rights and environmental aspects. We align our corporate activities to the following human rights standards and guidelines:

- the United Nations Universal Declaration of Human Rights,
- the United Nations Guiding Principles on Business and Human Rights,
- the conventions and recommendations of the International Labour Organisation (ILO) on work and social standards,
- the principles of the Global Compact of the United Nations (member since 2021),
- the United Nations Convention on the Rights of the Child,
- the United Nations Convention on the Elimination of All Forms of Discrimination Against Women, and
- the principles of the Organisation for Economic Cooperation and Development for multinational companies.

We also ensure compliance with all environmental protection laws and regulations. The goal of our sustainability strategy and activities is to continuously reduce the consumption of raw materials and natural resources. Building on our extensive efforts over the last few years to reduce our greenhouse gas emissions, we also joined the Science Based Target Initiative (SBTi) in 2021. By doing so, we ensure that Drees & Sommer’s corporate climate strategy is in line with the specifications of the Paris Climate Accord of 2015.

B. Expectations for Drees & Sommer's business partners

Drees & Sommer expects that its business partners will respect human rights and comply with environmental laws in the course of their business activities. We hereby agree to the following basic principles and requirements regarding responsibility for people and the environment to govern future collaboration and our business relationship with our business partners. These include:

- the prohibition against child and forced labour,
- equal treatment of all employees and no tolerance for discrimination,
- guaranteeing health and safety in the workplace,
- granting compensation at least in the amount of the legally guaranteed minimum wage for hours worked, in compliance with applicable standards,
- protecting personal data,
- Recognising the right of all employees to form employee representative organizations and engage in collective bargaining to regulate working conditions,
- conserving the natural environment and complying with the prohibition against illegally taking land,
- monitoring private or public security forces engaged in order to prevent discrimination, torture, injuries or interference with the freedom to assemble by such forces,
- complying with all environmental protection laws and guidelines,
- handling waste and hazardous materials responsibly and complying with applicable environmental laws, regulations, and standards,
- properly treating and discharging industrial waste water,
- handling emissions carefully,
- as well as continuously optimizing energy consumption and energy efficiency.

These principles are also set forth in the Drees & Sommer Code of Conduct. We consider respect for human rights and protecting the environment to be paramount in all of our collaborations. These principles apply to both our employees and our suppliers.

C. Implementation of due diligence for human rights and environmental obligations at Drees & Sommer

We focus on long-term engagement and structured processes in order to fulfil our commitments to ensure human rights and meet our environmental obligations within our global supply chain. Drees & Sommer strives to identify ongoing improvements throughout its supply chain alongside its business partners.

Upholding ethical standards like integrity, honesty, and legal compliance is a key and integral part of our corporate culture.

D. Risk analysis

Drees & Sommer has implemented a risk management system, the first step of which is to conduct regular risk analyses of its business activities for companies headquartered in Germany, in order to analyse potential risks and ensure appropriate respect for human rights and environmental protection within the supply chain. Drees & Sommer continuously updates its risk analysis and adjusts it to statutory requirements and organisational framework conditions. We take on responsibility, and expect the same of our business partners, in order to implement our human rights strategy. In this context, we assess our own position within the supply chain, in particular.

In addition, we have established suitable preventative and corrective measures for risks identified during the risk analysis for the individual business areas of direct suppliers and any indirect suppliers as well. The effectiveness of such measures is checked regularly on a random basis.

Currently, no high-priority risks have been identified through the self-assessment and the risk analysis conducted of our direct suppliers. We understand high-priority risks as risks resulting in a high probability of violations of the legally protected rights set forth in section B.

We will respond to any changes in our business and risk area through regular risk analyses, and take appropriate measure to avoid these.

E. Complaint mechanism

If you have concrete information on any abuse or violation by Drees & Sommer employees or your own employees in the context of your collaboration with Drees & Sommer, please inform us of this. To do so, please contact the general management of the Drees & Sommer company with which you have a business relationship.

In Germany, our external ombudsperson serves as another point of contact. As an attorney, he is subject to professional secrecy towards the company. Because of this, we can assure all whistleblowers complete anonymity towards the company. With the agreement of the whistleblower, the external ombudsperson will forward the violation to the central Drees & Sommer compliance area, in anonymised form if requested.

Your contact person:

Attorney Felix Weidenbach / Baker Tilly
Rechtsanwaltsgesellschaft Nymphenburger Straße 3b,
80335 Munich Tel. + 49 89 55066-320
Dreso-Ombudsservice@bakertilly.de

Significant information helps us to revise our existing mechanisms and identify previously unknown risks. If negative impacts are identified that were caused by Drees & Sommer or to which our business activities contributed, then we use our influence to ensure that those affected are given appropriate redress, and we work to make amends.

F. Structure and responsibilities

The Executive Board of Drees & Sommer SE is responsible for reviewing compliance with and implementation of our due diligence obligations in relation to human rights.

G. Reporting

Transparent communication of our core elements and measures is a regular part of our business activities. We report regularly on significant human rights and environmental risks, our measures, and the progress we have made, as well as ongoing challenges.

This policy statement has been distributed via the intranet to our own employees and our direct suppliers for whom a risk was identified during the risk analysis.

In addition, the policy statement is also available on the Drees & Sommer website.

The policy statement is regularly updated based on the completed risk analysis.

1 January 2023



Dierk Mutschler



Marc Schömbbs



Steffen Szeidl

Executive Board of Drees & Sommer SE

in the name of Drees & Sommer SE, as well as in the position of shareholders in companies affiliated with Drees & Sommer SE in the sense of Sections 15 et seqq. AktG, <https://www.dreso.com/de>