Webasto Group

Declaration of Principles of Webasto SE (§§ 3 para. (1), 6 para. (2) LkSG) and Group Policy

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1. General information

Integrity, compliance with the law and respect for ethical values are the most important principles when dealing with our employees[1] and business partners. Accordingly, corporate management is also aligned with these ethical principles.

As a global innovative systems partner to the mobility industry, the Webasto Group is one of the 100 largest suppliers to the automotive industry worldwide. We have a clear position on human rights as well as environmental and social standards. Our Group-wide actions to safeguard human rights go hand in hand with respect for environmental rights. As part of our activities, we rely on trusting business relationships and also expect our business partners to share our high standards and implement them themselves.

We are pursuing the climate targets we have set step by step to enable a more sustainable future. Respect for human rights and the sustainable extraction of raw materials by our suppliers is an essential part of our corporate strategy, which is intended to serve as exemplary corporate governance and can therefore only be based on respect for human and environmental rights.

This Declaration of Principles is a group policy and applies without exception to Webasto SE and all of its subsidiaries and affiliates ("**Webasto Group**") and all employees of the Webasto Group

2. Responsibility

As one of the 100 largest suppliers to the automotive industry worldwide, the Webasto Group is aware of its responsibility. We respect human and environmental rights both in our own business area and in the business area of our direct suppliers. As we consider human and environmental rights to be fundamental rights, we also work to ensure that these are respected in the indirect supplier area. We provide those affected by violations, particularly vulnerable groups, with access to complaints and remedial measures. Both our internal guidelines and international standards form the basis for our actions, guarantee compliance with legal provisions and, in some cases, ensure a level of protection of human and environmental rights that goes well beyond this. These standards include in particular

- 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),
- UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work,
- ILO Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and ILO Standard 169, and
- Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD).

To ensure implementation, we have concluded subsequent agreements with long-standing suppliers based on existing contracts and including the **Supplier Code of Conduct** (https://www.webasto.com/en-int/responsibility/governance-and-compliance.html). New suppliers are integrated directly through systematic

[1] In this policy statement, only the masculine form is used for natural persons solely for reasons of linguistic simplification. In terms of content, persons of all gender identities are always meant. The term "*employees*" also includes managers at all levels and members of executive bodies.

onboarding and are also obliged to comply with human rights and environmental standards. In order to fulfil our own commitment to continuous improvement, these measures are continuously reviewed and, where necessary and/or possible, improved.

We are always committed to the sustainability of our business activities and therefore refer to our annual **sustainability report** (https://www.webasto.com/de-de/verantwortung/nachhaltigkeit.html) .

Our expectations of our employees are set out in the Social & Environmental Principles Policy, which we implemented in June 2023.

3. Risks

We proactively and preventively address the human rights and environmental risks that arise from our business activities as a global automotive supplier. We identify the aforementioned risks both in our own business area and at our direct suppliers and follow up on any indications of human rights violations or environmental risks. We use our influence on the downstream supply chain to appropriately address the risks described below and to request that our direct suppliers also appropriately address these risks in their supply chain. Based on the findings of our risk analysis, we place a particular focus on the following property rights:

- Restriction of freedom of assembly and association,
- Discrimination in any form,
- Emissions to air, water and soil and
- Occupational safety.

3.1 Ban on child labour

We strictly reject child labour and comply with the applicable national regulations. The development of children must not be hindered. This applies in particular to the worst forms of child labour for children and young people under the age of 18, for example hazardous, slave-like or immoral activities. We check explicitly and individually for each applicant and employee whether they have reached the minimum age for employment and, of course, which activities are suitable and permitted for young people under the age of 18.

3.2 Ban on forced labour

We strictly reject forced and compulsory labour, any form of slavery and also modern forms of slavery. Employment relationships of the Webasto Group are always based on voluntary labour and can be terminated with reasonable notice. The ILO core labour standards serve as a minimum standard.

3.3 Freedom of association, the right to collective bargaining and the right to strike

We recognise the right of our employees to form employee representative bodies, to collective bargaining to regulate working conditions and their right to strike, in accordance with the applicable law. Even in the event of differences of opinion between the Webasto Group and employee representatives, our aim is to maintain co-operation for the benefit of both the employees and the company. Forming, joining or being a member of a trade union recognised under applicable law does not lead to unequal treatment or retaliation. In addition, regular dialogue between employees and management is encouraged. Webasto's work culture is

characterised by trusting and constructive interaction.

3.4 Protection against discrimination

We do not tolerate discrimination or unlawful unequal treatment. Equal treatment is a fundamental principle of our corporate culture. No one in our supply chain should be disadvantaged, favoured or harassed on the basis of characteristics such as nationality, skin colour, gender, religion, political or other beliefs, ethnic origin, disability, age, sexual orientation or any other characteristic protected by local law. These include, but are not limited to:

- Membership of a national minority,
- former military affiliation (veteran status) or
- Pregnancy.

3.5 Right to health in the workplace

We protect and promote the health of our employees and the people who work for us. In doing so, we endeavour to ensure that no one is harmed by their work in accordance with the applicable health and safety laws worldwide.

3.6 Remuneration and benefits

The principle of equal pay for work of equal value regardless of gender and an appropriate wage that is at least equal to the minimum wage are part of our corporate culture. In the event that no statutory or contractual regulation exists, we are guided by our principle that our employees should be able to achieve an appropriate standard of living through their work.[2] Wages and expenses to be reimbursed are paid on time, in full and in the recognised local currency.

3.7 Working hours

We are guided by the ILO working time standards and ensure compliance with the applicable national working time regulations. Work-life balance is of particular relevance to us. Our employees can be compensated for overtime hours - either in the form of time off or appropriate remuneration.

3.8 Protection of local communities and indigenous peoples

We are aware of the impact of our business activities on the environment. We take into account the livelihoods and health of local communities and indigenous peoples. For this reason, we minimise our impact as far as possible. We pay particular attention to risk scenarios, in particular air, water and soil pollution, deforestation, improper handling of hazardous waste or the extraction of groundwater in regions with water shortages. We reject unlawful eviction, the deprivation of habitats, especially land, forests and water, as well as the damage and destruction of cultural sites.

[2] Equivalent to a full-time job.

3.9 Dealing with risky raw materials

We act in accordance with the Minamata Convention on Mercury of 10 October 2013, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of 22 March 1989 and the Stockholm Convention on Persistent Organic Pollutants of 23 May 2001 (POPs Conventions). We endeavour to avoid negative human rights and environmental impacts through the handling of raw materials.

3.10 Deployment of security forces

If we use private security personnel to fulfil our obligations and protect our rights, we ensure by contractual obligation that all internationally recognised human rights and environmental rights are respected.

4. Implementation of the due diligence obligations

Respect for human and environmental rights is our top priority. This ongoing process involves a careful and continuous review of the changing framework conditions, the nature and scope of our business activities and any information we receive. This integral part of our corporate policy is reviewed by analysing the potential and actual effects of our business activities. Both the Webasto Group's own business operations, including all Group companies, and the business partners along our supply chain are subject to our constant monitoring of compliance with the aforementioned principles.

The commitment of our suppliers and business partners to our Supplier Code of Conduct is an essential component for upholding these principles and an indispensable prerequisite for co-operation with the Webasto Group.

5. Risk Management

To preserve the human and environmental rights specified above the management board of Webasto SE has implemented a risk management system. A cross-functional committee, the so-called Supply Chain Due Diligence Act Committee ("**SCDDA Committee**"), is responsible for the operative implementation of the risk management system. The SCDDA-Committee consists of permanent members and representatives from the relevant areas, namely Legal & Compliance, Purchasing, Health Safety & Environment, HR, Aftermarket and Sustainability. The independent SCDDA Committee has extensive rights to implement and execute the risk management and, in particular, to implement the risk analysis regarding the adherence of human and environmental rights related due diligence obligations in the own business area as well as concerning the direct suppliers. The SCDDA-Committee reports directly to the Management Board of the Group holding company, Webasto SE.

The risk analysis for identifying, cataloguing, preventing and remedying any risks identified is generally carried out annually, but also on an ad hoc basis. In a first step, we use external data sources to identify country risks and product group risks. The identified risks are then assessed, analysed and weighted. The legal criteria of severity and probability of occurrence are decisive here. We analyse the specifically identified risks in detail and on a case-by-case basis. Control and remedial measures, such as questionnaires, audits and training, help to further identify and categorise the impact on people and the environment.

The risks are then prioritised according to the level of risk and the degree of the Webasto Group's own responsibility. The resulting findings are incorporated into our corporate decision-making processes. This includes the selection of business partners and suppliers, market entry considerations and transaction decisions. Conflicting objectives are regularly discussed by the decision-making bodies within the Group.

We take a risk-based approach when weighing up the control, prevention and remediation measures we have introduced. We want to protect potentially affected persons and ensure that adverse human rights and environmental impacts are avoided or at least minimised. These measures are regularly reviewed for their appropriateness, effectiveness and proportionality and adapted as necessary.

Initially, our catalogue of measures includes detailed questioning, auditing and mandatory training. As the last possible measure, an overall assessment is made on a case-by-case basis, taking into account all available information of both a legal and economic nature, regarding the continuation of the business relationship or the continuation of business activities.

In addition to the direct fulfilment of these due diligence obligations, we also encourage third parties to report to us any grievances they are aware of that affect our group of companies. To this end, we have expanded the existing whistleblower system with regard to the reporting of human rights and environmental risks. Whistleblowers have the opportunity to report grievances anonymously, securely and without barriers in various languages, in compliance with the legal regulations for the protection of whistleblowers. These reports are received by our Legal and Compliance department and are forwarded to the SCDDA-Committee. The SCDDA-Committee reviews and assesses the reports on a case-by-case basis and where necessary implements and executes measures in alignment with the Legal and Compliance department. In addition, a risk inventory regarding the own business area und the direct suppliers is prepared.

The risk management, particularly its execution by the SCDDA-Committee, is monitored by an independent Human Rights Officer ("**HRO**"). The HRO was appointed on October 18th, 2024, is member of the Legal and Compliance department and reports at least once a year and on a case-by-case basis directly to the management board of the Webasto Group holding, Webasto SE.

6. Reporting and documentation

From 2024, and therefore also for the 2023 financial year, we will report annually to the German Federal Office of Economics and Export Control (BAFA) on the human rights and environmental risks we have identified. It goes without saying that our reporting complies with legal requirements. We maintain a so-called LkSG-Manual in which we continuously document the implementation of our obligations under the LkSG.

7. Violations of this policy statement

Employees of the Webasto Group and external third parties are encouraged to contact us via our **whistleblower system** (https://www.webasto.com/de-de/verantwortung/hinweisgebersystem.html), by post, by e-mail or by telephone via toll-free hotlines if they become aware of violations and to report these violations. The rules of procedure stored and accessible on the company website describe the procedure following the receipt of a report.

After receiving the report, the responsible members of the legal and compliance departments record it and forward it to the SCDDA Committee, which carries out a risk-based initial assessment of the potential breach of rules. If the suspicion is confirmed, proportionate and appropriate measures are initiated. If individual employees are responsible for the violations, this may result in measures under labour law. Violations of the contents of this declaration will be sanctioned in accordance with our internal regulations on breaches of rules.

8. Miscellaneous

This declaration of principles has no retroactive effect and comes into force upon resolution of the management board of Webasto SE. No rights of individuals or third parties can be derived from it. We review this declaration of principles annually and on an ad hoc basis. If indicated by the identification of changed or expanded risks, we will update it immediately.

Stockdorf, 17/02/2025

The Executive Board:

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(Dr Holger Engelmann)

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(Jörg Bremer)

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(Marcel Bartling)

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(Yanni of Roy-Jiang)

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(Jan Henning Mehlfeldt)

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(Johann Stohner)