

**Declaration of principles  
on human rights and environmental due diligence obligations  
of the company**

In accordance with the 10 principles of the UN Global Compact and in particular within the framework of the German Supply Chain Due Diligence Act, we

- MB-Holding GmbH & Co. KG -

are committed to respect for human rights and environmental protection.

## 1 Foreword by the company management and scope

We are convinced that holistic, sustainable thinking and action are part of our corporate responsibility and are the prerequisite for value-adding growth. Trustworthiness, transparency, honesty and mutual appreciation are integral parts of our corporate culture. We treat nature and its resources responsibly and treat our employees and business partners with respect, fairness and reliability. Based on this understanding, we have drawn up and published our Code of Conduct and Supplier Code of Conduct.

MB-Holding falls within the scope of application of the LkSG through the allocation of employees from other Group companies in accordance with § 1(3) of the Lieferkettensorgfaltspflichtengesetz (LkSG - German Supply Chain Due Diligence Act). None of the subsidiaries currently exceeds the aforementioned employee threshold in accordance with the LkSG, nor is it forecast to do so for at least the future financial year. After careful review with the help of relevant specialized consultants, MB-Holding does not exert any decisive influence on its subsidiaries, in particular not in the form of influencing core processes and activities in the supply chains of subsidiaries. This means that its due diligence obligations relate exclusively to its own legal entity.

## 2 Commitment to respect for human rights and environmental protection

In order to emphasize and make tangible the anchoring of human and environmental rights within our unit and our supply chain, we align our business activities with the following applicable standards and guidelines:

- Universal Declaration of Human Rights with the Civil and Social Covenant of the United Nations (UN)
- Conventions and recommendations of the International Labor Organization (ILO) on labor and social standards, in particular the core labor standards on the abolition of child labor, forced labor and discrimination and the guarantee of freedom of association and the right to collective bargaining
- United Nations Guiding Principles on Business and Human Rights (UNGPs)
- Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD)
- The 10 principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption (UNGCG)
- United Nations Convention on the Rights of Women (UN)
- United Nations Convention on the Rights of the Child (UN)
- German Supply Chain Due Diligence Act (LkSG)

The implementation of the established principles and the protection of the legal positions highlighted by the agreements are arranged, organized and documented as processes in the daily actions of all employees. We expect all employees and business partners to comply with the relevant laws, guidelines and standards. We also expect employees to conduct themselves in accordance with the provisions of this declaration of principles and, in particular, our Code of Conduct. Suppliers are expected to accept the Supplier Code of Conduct and behave accordingly, including communicating its content to their employees and any subordinate supply chain. We communicate the meaning and purpose as well as the content of the Code of Conduct to our employees and suppliers through regular training, instruction and further information.

### **3 Implementation of human rights and environmental due diligence obligations in the company**

As part of our business activities, our employees and people along our supply chain are exposed to various risks. This applies in particular to human rights and environmental risks. For this reason, we have established a company-specific risk management system to identify, eliminate and, above all, prevent risks, which helps us to protect the reputation and credibility of our company, but above all serves to minimize and prevent any human rights and environmental incidents. Our process approach to compliance with due diligence obligations is structured in several stages and based on the requirements of the LkSG. We systematically identify risks in our supply chains and derive so-called risk classes from various indices in relation to our supply chain in order to prioritize risks and derive suitable prevention and control measures.

We take appropriate prevention and control measures, such as agreeing codes of conduct with our own employees and our suppliers. At supplier level, we check implementation with self-assessment questionnaires and, if necessary, audits, depending on relevance. Our employees receive regular training and behave in accordance with our code of conduct. In this way, we ensure continuous and trust-based communication with our suppliers and employees.

We have established procedures for reporting improvements, mistakes and complaints. Information and complaints can be submitted in person or in writing, directly or anonymously to an independent internal complaints office (in-house lawyer in the legal department). Employees can use internal procedures for this. For external parties and in particular people in our supply chains, reports can be submitted via the complaints system set up on our website. A defined process and an established Complaints Committee ensure that complaints are dealt with objectively and independently. We regularly and systematically review the effectiveness of our established processes and adapt them to new findings where necessary. We also review the benefits of training, communication methods and information tools. Corrective measures taken are also checked for their effectiveness. The effectiveness and efficiency is evaluated and documented in an annual internal management review report.

An annual report (human rights report) is also submitted to third parties, the public and the Federal Office of Economics and Export Control.

### ***3.1 Risk analysis in the own unit and in the supply chains***

Our risk analysis process serves to identify, evaluate and prioritize the potential and actual effects of our business activities and the activities of our suppliers with regard to human rights violations and environmental impact. We have set up a company-specific evaluation process to assess the risks within our own unit. This procedure is based on the human rights and environmental risks listed in Section 2 (2) LkSG. With the help of a defined risk analysis process, we determine and evaluate the relevant human rights and environmental aspects of direct suppliers. Every new supplier undergoes this process as part of an initial assessment. Existing suppliers are regularly assessed or audited in the event of specific circumstances. As part of the supplier qualification process, recognized certifications and external audits relating to human rights and environmental issues are included in the supplier's risk assessment.

For the indirect supply chain, i.e. suppliers in the downstream supply chain over which we only have an indirect influence, a review and risk analysis process has been set up to analyze and respond to risks as they arise. These are systematically investigated and analyzed: Current information from our complaint management, information and communications from stakeholders, associations, NGOs, suppliers and people in the direct environment of our supply chain.

In general, we continuously analyze the impact of our business activities in the respective business area and along the supply chains on human and environmental rights. As part of our materiality assessment of risks, we have not identified any material and specific risks in relation to the suppliers and supply chains of MB-Holding. Its suppliers are service providers, consulting companies, IT companies, etc. that support or enable ordinary Group activities. MB-Holding therefore has no high-risk supply chains after performing and evaluating the risk analysis. The risk analysis is reviewed and updated regularly, at least once a year. It forms the basis for the identification of appropriate targets, preventive and control measures.

### ***3.2 Preventive and control measures***

As a family-owned company, we have always been committed to environmental protection, fair working conditions, respect for human rights and fair trade.

With our Code of Conduct and Supplier Code of Conduct as well as regular training and information, we ensure that both our employees and our suppliers adhere to specified behavioral guidelines for MB-Holding and our supply chain. These provide the framework for action for social, ecological, ethical and quality requirements. Compliance with the guidelines is regularly monitored accordingly.

### ***3.3 Corrective measures***

If we discover that our business activities contribute to potential or actual human rights violations or are indirectly linked to them, we endeavor to take appropriate corrective action

through the responsible departments within the company. To this end, internal processes have been further developed that define how to proceed when grievances are uncovered and how appropriate remedial and corrective measures are defined in our own business area and at direct and indirect suppliers. If a human rights or environmental legal position has been violated at a supplier, we will work with the supplier to define measures to improve or remedy the situation, which the supplier will then implement. These range from remedying the behavior that caused the violation to preventive measures through training and audits to working towards appropriate remedial action and must be implemented by the supplier as a prerequisite for further cooperation. A serious or repeated violation of the principles of our Supplier Code of Conduct may result in the continuation of the business relationship becoming unacceptable.

### ***3.4 Complaints procedure***

An important part of exercising due diligence is an appropriate and effective complaints procedure. It enables individuals or groups or their representatives who are affected by or feel threatened by negative impacts on human rights to raise their concerns. It encourages our employees, suppliers and business partners to report concerns, complaints or potentially unlawful activities in the workplace or in business activities confidentially and anonymously, without the threat of reprisals, intimidation or harassment. We provide appropriate resources for this purpose.

Whistleblowers at all stages of the supply chain can submit reports anonymously or by revealing their identity via our whistleblower platform <https://complaints.the-nature-network.com/>.

The rules of procedure for the reporting process are publicly accessible via the above-mentioned website. Relevant responsible parties within the Group are informed. The complaint is then investigated - for example through discussions with employees, suppliers, industry initiatives or NGOs, through on-site visits or in the form of interviews with those affected. Based on the results, effective measures are identified, introduced and monitored. The systematic handling of complaints and the knowledge gained from them enables us to continuously improve our due diligence processes.

### ***3.5 Effectiveness control***

As part of an annual management review or on an ad-hoc basis, we carry out an effectiveness review with regard to the processes and standards that have been introduced and the corrective measures that have been initiated. Information from our employees, suppliers and external stakeholders is also used to assess effectiveness.

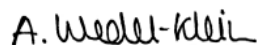
## **4 Responsibilities for human rights and environmental due diligence in the company and reporting**

Responsibility for the implementation of this declaration of principles is assumed by the management of MB-Holding. This ensures that each area of the company is aware of its own

responsibility for respecting human rights and their day-to-day implementation. The MB-Holding human rights officer appointed in accordance with the LkSG is responsible for monitoring the legal obligations under the LkSG and reports directly to the management. In particular, he monitors risk management and complaints management with regard to the fulfillment of due diligence obligations in accordance with the LkSG. It is also responsible for implementing the documentation obligations specified in the Act and for preparing the annual report in accordance with §10 of the LkSG. As a staff unit reporting to the management, it has the freedom to act objectively and independently within the scope of its duties under the LkSG.

The annual report pursuant to § 10 (2) of the LkSG is published in accordance with the requirements of the Federal Office of Economics and Export Control (BAFA) and forwarded to the competent authority.

Vestenbergsreuth, January 1, 2024



Anne Wedel-Klein  
CEO the nature network  
MB-Holding GmbH & Co. KG