

PRINCIPLES OF HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE OF THE EBM-PAPST GROUP

COMMITMENT OF THE EBM-PAPST GROUP TO THE PROTECTION OF HUMAN RIGHTS

As the leading international company in the development and manufacturing of motors and fans, ebmpapst is aware of its responsibility within the global commodity flow.

According to our fundamental values, which we have lived for almost 60 years, and which are an integral part of our corporate culture, we not only align our actions with legal requirements, but also strive to achieve the highest possible ethical standards.

We know that our success as a company is a success of the people in our surroundings. We therefore treat our fellow human beings and the environment with respect and value them.

Our company can only be sustainably successful in the future if the effects of our business activities are in harmony with people and the environment. Furthermore, we are acutely aware of our responsibility to society as a whole.

Our guiding principle and demand on ourselves is built around "Engineering a better life". This principle is not solely limited to the continuous development of highly optimized, highly efficient and modern products that reduce CO₂ emissions and operate at maximum efficiency and sustainability. Our guiding principle also includes the drive to strengthen our commitment to internationally recognised human rights. These are seen by ebmpapst as universal, inalienable and indivisible rights, due equally to every human being. We are inexorably committed to respect for the individual, within the scope of our own business activities and also in our global supply and value chains worldwide.

The ebmpapst Group therefore explicitly commits itself to the purpose of strengthening human rights and to the prevention of human rights violations.

THE BASIS FOR OUR ACTIONS: RBA CODE OF CONDUCT AND INTERNATIONAL STANDARDS

The basis for all corporate decisions and actions is firstly the Code of Conduct of the Responsible Business Alliance (RBA), which is based on recognised standards such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Universal Declaration of Human Rights.

The RBA Code of Conduct has been an integral part of our business activities for many years, and we expect all business partners in the supply chain to commit to these values unconditionally. Core values of the Code of Conduct include safe working conditions, respectful and dignified treatment of workers, and environmentally and ethically reasonable business processes.

In all cases the following applies: where local law and international human rights are not harmonised, we act in accordance with the higher standard. We set group-wide minimum standards that may always be tightened, but never undermined, considering local laws and regulations.

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Especially when selecting new suppliers or engaging with existing ones, we implement appropriate due diligence checks. Respect for human rights is a vital criteria in the supplier selection process. We do not tolerate behaviour or treatment of individuals that contribute to or support human rights abuses, whether directly or indirectly. We take appropriate corrective actions in the event of human rights violations.

Supplementary, ebm-papst is already committed to the following internationally approved standards and guidelines:

- Universal Declaration of Human Rights of the United Nations (UN)
- United Nations Guiding Principles on Business and Human Rights (UNGPR)
- Conventions and recommendations of the International Labour Organisation (ILO) on labour and social standards
- Principles of the United Nations Global Compact (UNGC)
- UN Conventions on the Rights of the Child of the UN Convention on the Elimination of All Forms of Discrimination against Women
- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- Forced Labour Priority Principles of the Consumer Goods Forum (CGF)

The above listed guidelines and directives represent the current status as of October 2022.

CONSIDERATION OF HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE IN THE EBM-PAPST GROUP

The departments continuously check where there are identifiable risks of human rights violations in their supply chains. If there is any suggestion of violations, we immediately undertake a risk assessment which is specific to our company. This includes assessment factors on how our business partners are to be classified, particularly with regard to the aspects of child and forced labour, fair income, compliance with permissible working hours, anti-discrimination, upholding freedom of association and ensuring compliance with occupational health and safety requirements.

We have developed these guidelines from best practice and by the incorporation of all aforementioned international standards. These guidelines constitute the binding framework for implementation by all employees and business partners by defining concrete measures and goals.

STRATEGIC COOPERATION

The management and supervision of our human rights policy is the responsibility of the Human Rights Officer and the Corporate Governance department. With the involvement of all relevant corporate divisions and operational units, they are required to coordinate the activities, to set priorities and to lead the companywide efforts of the ebm-papst Group.

In order to be able to identify human rights and environmental risks in our supply chains at an early stage, we work strategically with EcoVadis. EcoVadis is a global CSR rating company that conducts its assessments based on international standards. In close consultation, we will ensure that we only work

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with suppliers who meet our high standards. It is crucial that external expertise, internal processes and business procedures are aligned and documented. Actions and outcomes are regularly reviewed by existing process instructions and regular employee training. Together with EcoVadis and other partners, we offer training for suppliers, conduct audits and formulate specific requirements for suppliers and service providers.

In addition to continuous evaluation of our direct suppliers, we also practice event-related monitoring as part of an appropriate risk management system in order to take into account any changes to the framework conditions and any new risks such as those due to the introduction of new products, for example.

Furthermore, we encourage our employees, business partners and other third parties to report suspected violations of the principles of this declaration via our overarching whistleblowing system. This can be requested anonymously and without the expectation of disadvantageous consequences. Our complaints procedure is designed to enable anyone to point out human rights violations and environmental risks as well as violations of human rights or environmental due diligence that have arisen as a result of the economic activities of our company in its own business or those of a direct supplier. In addition to our web-based system (<https://www.bkms-system.com/ebmpapst>), it is also possible to inform our local management or the responsible compliance officers. As far as this is possible by providing contact details, receipt of the report will immediately be confirmed to the respective whistleblower and the facts will be discussed.

In any case, all reports will be taken seriously and examined under the aspect of confidentiality. In addition, our internal processes will determine how to proceed when whistleblowing occurs and what remedial measures must be taken. Furthermore, we refer to the publicly available rules of procedure.

PROCUREMENT OF RAW MATERIALS AND PRODUCTS

As a technology company, our scope on risks in our supply chains include, as a priority, issues of occupational health and safety, energy consumption and greenhouse gas emissions, corruption, water management, child and forced labour, and human trafficking. As part of our risk analysis, we also assess the location of the respective suppliers to determine their suitability. Our supply chains in Asian and European countries can sometimes pose special risks that will in turn require special evaluation. Suppliers of stamped parts, injection moulded parts and copper are good current examples.

We source raw materials and products exclusively from suppliers who have been informed about our standards. All have confirmed that they comply with the principles stated within the framework of this policy statement. All have confirmed that they do not tolerate human rights abuses. Accordingly, we contractually oblige our suppliers to comply with the RBA Code of Conduct and pass it on in their supply chain. We also take steps to ensure that the sourcing of raw materials and products at risk is consistent with our values. We continuously review our monitoring processes. For example, our employees are in close contact with our suppliers, pointing out their compliance with our high ethical, social and environmental standards. In addition, regular audits of our direct suppliers are carried out by our own employees and/or qualified third parties.

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If we receive indications of impending human rights violations, we immediately take appropriate countermeasures. In this example we would immediately conduct on-site audits or training, define appropriate action plans and follow them up, and work closely with suppliers to re-establish our standards. In doing so the ultimate goal is the immediate cessation and removal of the human rights violating activity as well as taking a proactive approach to ensure that such violations do not recur.

If there is even the smallest suggestion that suppliers and business partners do not adhere to the principles outlined here on a sustained basis, ebm-papst will terminate the cooperation.

RESPONSIBILITIES FOR HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE WITHIN THE EBM-PAPST GROUP

The responsibility for implementing the standards contained within this Policy Statement is determined by the Group Management Board. They collectively ensure that each business unit is aware of its tasks, duties and responsibilities in terms of respecting and protecting human rights. The Human Rights Officer regularly reports the current situation to the Group Management Board

In the ebm-papst Group companies, the Group Management Board monitors the operational implementation of the declared corporate principles.

Special importance in the implementation of human rights and environmental due diligence obligations in the supply and value chains is attached to the purchasing organisation in the procurement area.

OUR EXPECTATIONS AND PERSPECTIVE

We actively encourage our business partners, employees and other third parties who are associated with us and our business activities to embrace the importance of human rights and environmental due diligence and to do what they can do within their sphere of influence to create fair working conditions and comply with applicable laws and human rights conventions. All ebm-papst business partners are especially obliged to comply with minimum requirements such as internationally and nationally applicable laws and the core labour standards of the International Labour Organisation (ILO).

ebm-papst has a zero-tolerance approach to any violations, the consequences of which can result in legal consequences up to and including the termination of the business relationship. In striving to prevent violations, ebm-papst can provide support to our direct suppliers and offer specific training on human rights and responsible sourcing.

For our employees, we have declared these values in writing, including the concrete actions and behaviours in our ebm-papst Code of Conduct, frequently updated by regular Group Management review, the observance of which is a fundamental part of our daily work. It is important to us that our employees have guidance regarding daily business processes so that risky situations of possible human rights violations can be identified quickly. Failure to comply with these principles of the Code of Conduct constitutes a breach of duty that may result in consequences under labour law, up to and including the termination of employment.

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Likewise, we expect our business partners to instruct their employees, suppliers and third parties cooperating within their business activities and to fulfil their contractual commitments, and to successfully execute the values in their own business processes by top-down implementation that is initiated by their own senior management.

For ebm-papst, respect for human rights is an important contribution to achieving the United Nations Sustainable Development Goals. In doing so, we are aware that the implementation of human rights and environmental due diligence obligations both in our own business activities and in all supply and value chains is not a one-off project, but a continuous process.

We accept this challenge and review the effectiveness of our strategic approaches and measures on a regular and case-related basis with the aim of continuous improvement. In addition, we constantly review whether our guidelines are being adhered throughout the company. Therefore, we conduct risk-based audits and, wherever possible, involve potential stakeholders or their representatives. We provide regular and transparent information on implementation and strategic development as part of our sustainability reporting.

Let us create a future worth living together.

The Management Board of the ebm-papst Group

Dr. Klaus Geißdörfer Hans Peter Fuchs Dr. Sonja Fleischer Thomas Wagner Thomas Nürnberger Raymond Engelbrecht