

## **POLICY STATEMENT ON THE HUMAN RIGHTS STRATEGY**

Our commitment to respect human rights and environmental responsibilities

Updated: October 2023

For better readability, no distinction is made between language forms for different genders. All references to persons apply equally to all genders.

**FOREWORD**

We are Nagel-Group, one of the leading food logistics companies in Europe and number one in Germany. We create decisive competitive advantages for our customers throughout Europe with our unparalleled network. From reliable transport in all shipment sizes and temperature classes to innovative supply chain services in complex warehouse solutions. We are conscious, as a European food logistics company and storage services provider, of our responsibility for all aspects of the food supply chain and we gladly face up to this responsibility. Nagel-Group aspires to make logistics production as environmentally friendly and socially responsible as possible, to work with employees in an appreciative, fair and respectful manner and to make a sustainable contribution to society.

The German Supply Chain Due Diligence Act (LkSG) came into force on 1 January 2023. As a German company with more than 3,000 employees, this places an obligation on Nagel-Group to put into practice appropriate human rights and environmental due diligence within the company and throughout the entire supply chain. This includes carrying out a risk analysis (Section 5 LkSG), appropriate risk management including preventive and corrective measures (Sections 4, 6, 7, 9 LkSG), setting up a complaints mechanism (Section 8 LkSG), publishing a policy statement (Section 6 LkSG) and ensuring good compliance documentation and reporting (Section 10 LkSG). The human rights strategy is a key component of this policy statement.

We are in continuous development to establish and refine our long-term activities, both in relation to the LkSG and to people's rights and environmental protection in general.

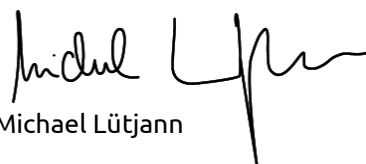
This policy statement on the Human Rights Strategy (Section 6 LkSG) applies to Nagel-Group Logistics SE and all its affiliated companies. It supplements the Nagel-Group Code of Conduct, which forms the basis of how we work with our employees and also of our contractual relationships with our customers and suppliers.

Versmold, October 2023

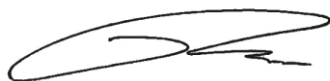
Nagel-Group SE & Co. KG, represented by Nagel-Group Verwaltungs-SE  
The Managing Directors



Carsten Taucke



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Tobias Nagel



Dr. Holger Werthschulte

## HUMAN RIGHTS AND ENVIRONMENTAL STRATEGY

Nagel-Group is conscious of our social and corporate responsibility to respect human and environmental rights and take these into consideration in our own business operations and along our entire global supply chain. We recognise our obligations and undertake to comply with the following fundamental human rights regulations, for example:

- Universal Declaration of Human Rights (Resolution 217 A (III)) dated 10 December 1948
  - International Bill of Human Rights from 1966
  - ILO Declaration on Fundamental Principles and Rights at Work dated 1 June 1998
  - The United Nations Guiding Principles on Business and Human Rights from June 2014
  - The Ten Principles of the UN Global Compact of 25 September 2015
- The above-mentioned guidelines and agreements supplement our Nagel-Group Code of Conduct and the Code of Conduct for our suppliers, which form the basis of how we work with our employees and also of our contractual relationships with our customers and suppliers. We pay particular attention to the following prohibitions of:
    - Child labour (under the age of 15)
    - Particularly bad types of labour for children and young people (under 18)
    - Slavery and forced labour
    - Failure to comply with occupational health and safety obligations (this also includes jeopardising data protection and privacy and endangering health and safety in the workplace)
    - Disregard for freedom of association and the right to collective bargaining (this also includes the systematic repression, suppression and sabotage of employee representation)
    - Unequal treatment and discrimination against employees in any form (e.g. according to gender, age, ethnic and social origin, nationality, religion or ideology, physical or mental disability, sexual orientation)
    - Withholding an appropriate wage
    - Commissioning of unreliable security personnel
    - Insecure employment and working conditions (e.g. in the case of unregulated temporary work or the abuse of short-term contracts)

We largely focus on labour and transport service providers in our efforts to respect human rights, as this is where potential risks could arise.

We also fulfil our environmental obligations by complying with prohibitions, including against:

- Production and use of mercury and mercury compounds
- Production and use of certain chemicals (persistent organic pollutants)

- Environmentally unsound handling, collection, storage and disposal of waste in accordance with the provisions of the POPs Convention
- Export of hazardous waste
- Import of hazardous waste

We require our suppliers and customers to respect the applicable international standards and legal norms with regard to the environment, to reduce environmental pollution and to constantly improve environmental protection.

Sustainability is in our DNA – bringing the environment, people and profitability into harmony. Our understanding of sustainability is based on the 'Council for Sustainable Development' definition: "Sustainable development means giving environmental considerations equal weight with social and economic considerations." Our company's overriding goal is to remain sustainably fit for the future. To this end, we have set ourselves critical sub-goals at all levels of corporate responsibility and are already implementing a number of sustainability projects today.

Furthermore, we are in no doubt that compliance with environmental due diligence obligations is an essential factor for the long-term success of Nagel-Group. We therefore expect all our employees and suppliers to comply with the principles.

## RISK ANALYSIS

We see it as part of our duty of care to recognise potential and actual risks against human rights and the impact of our business activities on people along the entire value chain. We therefore identify and assess relevant human rights issues and those potentially affected by our direct business activities as well as our direct and indirect business relationships. This includes analysing both human rights risks and the impact of the use of our services. Identifying risks and potential impacts and deriving effective countermeasures are core elements of implementing the human rights and environmental due diligence obligations.

We take the findings of our risk analysis into account in our management process, as well as human rights concerns raised by third parties and incidents reported.

The analysis of human rights risks and impacts is updated whenever there are significant changes to the company's profile or business activities and at least on an annual basis.

The results of the analysis of human rights risks and impacts are incorporated into our corporate decision-making processes in terms of supplier selection, business partner management, our service provision processes and mergers and acquisitions. The risk analysis forms the basis for identifying appropriate

countermeasures. We also use the results as a basis for creating and, where necessary, adapting internal regulations, processes and training to take account of the changing requirements of our due diligence processes.

The risk management and analysis process is designed to identify, prevent, and eliminate human rights risks and legal rights violations along entire supply chains. Where eliminating the risks is not possible or would involve disproportionate effort, the aim is at the very least to minimise them. Risk analysis is seen as a continuous improvement process.

### PREVENTATIVE MEASURES

- We rely on a combination of different measures to fulfil our responsibility to respect human rights. The aim is to protect those (potentially) affected and to prevent or at the very least minimise adverse human rights impacts on them. We have established standardised processes to achieve this.

Outside our company, we contractually oblige our direct suppliers to comply with the laws in force in the respective country and the core labour standards of the ILO, to respect human rights and to address human rights-related risks appropriately with their own business partners.

In the case of new suppliers and customers, the risk identification and assessment process take place when the vendor is first added.

This means that we review the effectiveness of our measures to prevent and mitigate adverse human rights impacts at least once a year as well as on an ad-hoc basis. We also check that our requirements are being met. In addition, we also carry out risk-based audits within our company and follow up on all reports of potential human rights violations. Another building block is training and further education measures to verify their effectiveness. We review the effectiveness of measures in our value chain by monitoring the results of our continuous analysis of human rights risks and impacts. We also carry out risk-based audits at our labour service providers.

### COMPLAINTS PROCEDURE

We reject all forms of human rights violations. Appropriate and effective grievance management therefore forms an important part of our due diligence processes. The objective is to effectively prevent and remedy any potential adverse human rights impacts caused by our company and our business activities. We also use our whistleblower system for the company complaints management system, which is accessible from both within and outside the company.

We operate a whistleblower system that provides a confidential communication channel for internal and external stakeholders and all potentially affected parties worldwide to report possible violations of human

rights and international treaties. We proactively communicate opportunities to access the whistleblower system in appropriate languages to these groups in order to do justice to differences in the target groups. Reports can also be made anonymously.

All reported information and substantiated suspicions of possible human rights violations are processed as part of a transparent, balanced and accountable process for all parties involved. The confidentiality and anonymity of whistleblowers is respected. As far as possible and within our sphere of influence, we ensure that whistleblowers are protected from discrimination and sanctions in connection with the complaints they submit. Our systematic handling of complaints and the knowledge gained from them enables us to continuously improve our human rights due diligence processes.

We also review the effectiveness of the existing complaints mechanisms once a year and on an ad-hoc basis in the event of significant changes in the risk situation or specific indications of restrictions in complaints management.

Further information and a link to our whistleblower system/complaints procedure can be found on our homepage at the following [link](#) and in the guidelines on the whistleblower system/complaints procedure (rules of procedure).

## REMEDIAL MEASURES

In the event that we as a company have directly caused a violation of human rights, we work quickly to cease the business activities that caused the violation, or to organise them in a way that complies with human rights, and work towards redress. If our employees behave in a way that is incompatible with human rights, appropriate sanctions are imposed.

In the event that we contribute to potential or actual human rights violations through our business activities or are indirectly associated with them, we endeavour to contribute to appropriate remediation and prompt redress by the responsible parties. If we have a well-founded suspicion or specific indication of possible human rights violations in our company or along our upstream and downstream value chain, we investigate such suspicions carefully and diligently. We ensure our business partners support us in clarifying the facts of the case and to co-operate fully within a reasonable time frame. Subject to the severity of the violation, we reserve the right to take appropriate remedial action in connection with our business partners, ranging from an instruction to remedy the violation immediately to legal action and termination of the business relationship. Notwithstanding this, we strive to make amends for the violation.

## REPORTING OBLIGATIONS

Fulfilment of due diligence obligations is continuously documented within the company and we submit an annual report to the Federal Office of Economics and Export Control (BAFA), which provides transparent information about...

- Whether the company has identified human rights and environmental risks, and if so which ones,

- What the company has done to fulfil its due diligence obligations,
- How Nagel-Group assesses the impact and effectiveness of the measures,
- The conclusions it draws for future measures.

The report must be submitted to BAFA no later than four months after the end of the financial year and made publicly accessible on the company website, where it must remain available for seven years. Trade and business secrets are protected at all times. The aim is to demonstrate how effective our human rights due diligence procedures are.