

PRINCIPLE STATEMENT

ON THE HUMAN RIGHTS STRATEGY
09/2024

1. PREFACE

We are working today on the topics of tomorrow: with over 2,500 employees worldwide, we create concrete added value for customers in over 90 countries at the family-owned company Pöppelmann - founded in Lohne in 1949. Our teams of experts for innovative plastics concepts are at home in the global markets of the automotive, medical technology, food, cosmetics and pharmaceutical industries as well as horticulture. We take responsibility for the results of our actions. In our company-wide PÖPPELMANN blue® initiative, we develop forward-looking, resource- and climate-friendly plastics solutions for our business areas.

Sustainable management has been the basis of our success for decades. In our decisions, we focus on the long-term added value of our actions. We believe this attitude is best described by the term "responsibility". In our work, we take on this responsibility every day anew - for our employees and the quality of our products, for the natural resources of our planet and the region in which we are at home.

How can we succinctly summarize our enthusiasm for our work, our passion for our product solutions, our strengths as a team, our flexibility in a world that is changing ever more rapidly - in short, our very special Pöppelmann effect? We have an answer to this question in 2017 found: It is PP^x.

PP^x stands for Pöppelmann Excellence and describes the strategic direction of our company, the core of our business activities. In the PP^x corporate policy we have formulated the standards we set ourselves.

The four PP^x principles can be viewed on our company website and set out our attitude and values as a fundamental company policy for everyone to understand - not just as a theory, but as a tool we use in our work every day. All departments translate PP^x for themselves - according to their respective tasks.

Our Code of Conduct and Supplier Code of Conduct are updated on an ongoing basis and formulate the key expectations and principles that Pöppelmann expects within the company and along the supply chain for the manufacture of products or the provision of services.

2. DESCRIPTION OF THE PROCEDERE FOR COMPLIANCE WITH THE DUE DILIGENCE OBLIGATIONS

2.1 Establishment of risk management

We have established an appropriate risk management system to ensure compliance with the corporate due diligence obligations pursuant to Section 3 (1) LkSG. We also ensure that risk management is organized and monitored in such a way that the interests of our own employees, employees within our own supply chains and persons affected by human rights and environmental risks are adequately taken into account.

We have anchored risk management for our supply chains in all relevant business processes. The necessary appropriate personnel and organizational structures have been created in the relevant corporate departments in order to identify and minimize human rights and environmental risks within the supply chain and prevent violations.

All employees directly responsible for risk management tasks have been trained accordingly and instructed in their tasks, including future supplier selection, risk analysis and the implementation of preventive and remedial measures. We have appointed a suitably qualified employee as Human Rights Officer. This person has the task of monitoring risk management with regard to the legal requirements as part of the implementation of the Supply Chain Due Diligence Act (LkSG) and reporting to the management on the results of their work.

We have supplemented our internal reporting system so that the Management Board is informed by the Human Rights Officer at least once a year or on an ad hoc basis about his or her work and otherwise always promptly and comprehensively about all relevant processes and measures in connection with the fulfilment of corporate due diligence obligations in accordance with the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz).

All responsibilities and competences have been clearly defined and documented.

2.2 Carrying out risk analyses

We carry out an appropriate risk analysis once a year as part of the risk management system in our own business area and at our direct suppliers in order to determine the human rights and environmental risks in the respective area.

Human rights and environmental risks are identified, assessed and weighted with the help of a dedicated software solution. This tool supports us in both abstract and concrete risk analyses. The responsible specialist departments review, evaluate and prioritize the results of the risk analysis. The adequacy criteria of Section 3 (2) LkSG are taken into account here.

We ensure that the results of the risk analysis are communicated internally to the management and the relevant decision-makers in the responsible specialist departments and that the necessary follow-up measures are then taken.

We carry out the risk analysis annually and when there is a specific reason to do so. Such an occasion exists if we have to assume a significantly changed or significantly expanded risk situation in our own business area or at a direct supplier. For us, this can regularly be the case when launching new products, implementing specific business projects or expanding and developing production sites or a new business area.

We also take into account the findings from the company's internal complaints procedure in connection with the risk analysis.

2.3 Taking preventive measures

If human rights risks are identified during the risk analysis, we implement appropriate preventive measures. From now on, our human rights and environmental expectations will be taken into account when selecting direct suppliers.

We ask the suppliers concerned to fulfil our expectations. This includes appropriately communicating these expectations to their suppliers along the supply chain. If necessary, we will then carry out or arrange for

training and further training to be carried out at the direct suppliers concerned to enable them to comply with human rights and environmental expectations.

In addition, appropriate contractual control mechanisms and their risk-based implementation can be agreed with suppliers in order to be able to monitor compliance with the human rights strategy at the direct supplier. We review the effectiveness of these preventive measures once a year and - as described - on an ad hoc basis.

2.4 Introduction of remedial measures

In the event of a breach of a human rights-related or environmental obligation in our own business area or at a direct supplier, we will immediately take appropriate remedial action in accordance with legal requirements.

If the violation of a human rights-related or environmental obligation concerns a direct supplier and is of such a nature that it cannot be ended in the foreseeable future, we draw up and implement a concept with a concrete timetable for ending or minimizing the violation.

We are only required to terminate a business relationship if, in particular, the violation of a protected legal position or an environmental obligation is deemed to be very serious, the implementation of the measures set out in the concept does not remedy the situation and we have no other less severe means at our disposal.

We review the effectiveness of these remedial measures once a year and, if necessary, on an ad hoc basis in accordance with the principles described in the risk analysis.

2.5 Establishment of grievance mechanisms

We have set up an internal complaints procedure in accordance with Section 8 LkSG. This consists of an internal reporting system and a reporting platform via an external service provider. These enable affected persons to report human rights and environmental risks as well as violations of human rights or environmental obligations in Pöppelmann's supply chains that have been caused by the economic activities of a company in its own business area or a direct supplier.

We have taken the requirements and needs of the relevant stakeholder groups into account when planning and setting up the complaints system. The complaints procedure is publicly accessible via the Pöppelmann company website and can be used anonymously and in multiple languages.

The confidentiality of the identity of the whistleblower and the impartiality of the persons entrusted with the implementation are guaranteed, as is effective protection against discrimination or penalization as a result of a complaint. Reports can be made online or by telephone at a low threshold and easily.

Employees and external interest groups are informed via the website and employees are informed via the Pöppelmann intranet.

The receipt of a report is confirmed to the whistleblower. The whistleblower also has the opportunity to talk to representatives of the complaints office, even anonymously. The information received is examined and the necessary follow-up measures are initiated after a plausibility check has been carried out. We ensure

that the persons entrusted with the implementation act impartially, are independent and not bound by instructions and are obliged to maintain confidentiality.

We have drawn up a code of procedure, which is also publicly available on the Pöppelmann company website. We review the effectiveness of this complaints procedure once a year and on an ad hoc basis as required.

2.6 Risks associated with indirect suppliers

If we obtain substantiated knowledge of such a breach via the complaints procedure or in any other way as defined in Section 9 (3) LkSG, we will immediately carry out an incident-related risk analysis in accordance with Section 5 (1) to (3) LkSG and subsequently, if and insofar as possible, implement appropriate preventive measures against the perpetrator, for example by implementing control measures and support measures to prevent and avoid a risk.

We will also draw up a concept to prevent, end or minimize the identified risk of injury, implement the concept and update this policy statement on the human rights strategy accordingly if necessary.

2.7 Documentation and reporting

We continuously document internally all significant measures that are required to implement the due diligence obligations. In particular, if decisions have to be made by the responsible persons, it is ensured that the reasons are documented internally.

The ongoing internal company documentation on the fulfilment of due diligence obligations is kept in the company for seven years from the date of its creation. The annual report on the fulfilment of due diligence obligations in the previous financial year is made publicly available free of charge on Pöppelmann's company website for seven years in accordance with the statutory regulations. The annual report clearly states whether and, if so, which human rights and environmental risks or violations of a human rights or environmental obligation have been identified by Pöppelmann by the reporting date of the end of the financial year, what has been done to fulfil its due diligence obligations, how the impact and effectiveness of the measures have been assessed and what conclusions have been drawn from the assessment for future measures.

2.8 Definition of human rights and environmental expectations

This policy statement contains the key expectations and principles that we have of our employees, suppliers and business partners worldwide in all supply chains for the manufacture of products and the provision of services.

We expect our employees, suppliers and business partners to comply with the applicable national laws, the legal requirements of the European Union and the globally recognized social and ecological standards as set out in the United Nations Guiding Principles on Business and Human Rights (UNGP), the UN Guiding Principles

on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the core labor standards of the International Labor Organisation (ILO).

In this context, we expect our employees, suppliers and business partners to respect human rights and comply with the applicable environmental regulations. This includes the prohibition of child labor, slavery, forced labor and the guarantee of occupational health and safety and freedom of association. We also expect the payment of appropriate wages, protection against harmful soil changes, water pollution, air pollution, harmful noise emissions and excessive water consumption. In addition, unlawful forced evictions, the unlawful seizure of land and the unlawful use of private or public security forces must be strictly avoided."

We expect our employees, suppliers and business partners to help identify human rights and environmental risks in their own business areas and in their supply chains. We see our obligations as a continuous development process and therefore validate and verify the methods and measures for compliance with legal regulations on a regular and ad hoc basis.


Lohne, 26/09/2024


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