



Declaration of Principles on the Respect of Human Rights

1. Statement by the Executive

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Dear Readers,
Major ecological and social challenges confront the world. Without acting in a sustainable manner, we cannot achieve our common goals such as the 17 Sustainable Development Goals (“SDGs”) of the United Nations or the EU climate goals in connection with the European Green Deal.

A comprehensive transformation of our economic system is necessary, in order to improve how the economy responsibly works with natural resources which have only limited availability, protects human rights in complex supply chains and makes progress with innovative solutions. If this transformation is to succeed, sustainability must be anchored in the core business of all companies. The demand for sustainable development is a task which can only be accomplished jointly by civil society, political organizations, science and the economy.

At the Eppendorf Group, we accordingly take our responsibility for society very seriously. As part of the UN Global Compact network, we have undertaken to continuously further develop our work on sustainability and support the Sustainability Development Goals (“SDGs”) of the United Nations. Compliance with human rights and fair working conditions are an integral part of our corporate culture. Since our company was established, our mission at Eppendorf has been to make a contribution to improving the lives of people. In order to achieve this purpose, of course, we must also try to identify any negative effects of our activities on human rights and the environment. We want to prevent any risks when we see them and stop any violations or mitigate their effects. Acting in a responsible, sustainable and legal manner constitutes an essential value in the Eppendorf Group and are firmly established in our business strategy.

Based on the specific risk situation for our business, this Declaration of Principles reflects our strategy for human rights as adopted by the Executive Board. This Declaration of Principles expresses the obligations we have placed on ourselves and our engagement in respecting human rights and the environment.

Sincerely,

Axel Jaeger
Chief Financial
Officer

Dr. Peter Fruhstorfer
Co-CEO &
Chief Business Officer

Eva van Pelt
Co-CEO &
Chief Commercial Officer

Dr. Wilhelm Plüster
Chief Technology
Officer

2. Obligation to respect human rights

At Eppendorf we respect the internationally recognized human rights and try to take into account especially the rights of vulnerable groups.

We undertake in this regard, among other aspects, to comply with the following international standards:

- United Nations General Declaration of Human Rights
- International Pact on Civil and Political Rights (the “Civil Rights Pact”)
- International Pact on Economic, Social and Cultural Rights (the “Social Pact”)
- International Labor Organization (“ILO”) Declaration on Fundamental Principles and Rights at Work and subsequent measures
- United Nations Guiding Principles for Business and Human Rights (“UNGP”)
- Principles of the Organization for Economic Cooperation and Development (“OECD”) for multi-national corporations

We also expressly acknowledge the ten principles in the United Nations Global Compact (“UNGC”) which we have supported as a member since 31 January 2022.

We describe in the following sections the main areas of interest for the Eppendorf Group concerning human rights and working conditions. When defining risks related to human rights, we orient ourselves, among other aspects, on the Memorandum of the Federal Office for Economic and Export Control (Bundesamt für Wirtschaft und Ausfuhrkontrolle, “BAFA”).

Prohibition of child labor

The Eppendorf Group does not tolerate child labor in any form whatsoever. We oppose every form of child labor within the meaning of the relevant ILO Convention¹ and support the complete elimination of child labor.

Prohibition of forced labor

The Eppendorf Group does not tolerate forced or compulsory labor in any form whatsoever. We are strictly against forced labor within the meaning of the applicable ILO Core Labor standards² as well as all forms of slavery, especially also modern forms of slavery as well as human trafficking.

¹ ILO Convention No. 138 and No. 182

² ILO Convention No. 29, No. 105 as well as ILO Protocol of 2014 to ILO Convention No. 29

Right to a healthy and safe workplace

Protection and support of employees' health have the highest priority for the Eppendorf Group. In accordance with the applicable ILO Convention³, we are convinced that establishing an effective culture of prevention can eliminate these causes and prevent workplace accidents, injuries and workplace illnesses.

Working hours

We make sure under the respectively applicable law that there are safe and healthy working conditions, work breaks, a reasonable limit on working hours and that regularly paid vacation is granted and that the applicable international standards on working hours, but at least the ILO Conventions applicable at the respective place of employment are complied with.

Freedom of association and right to collective bargaining

The Eppendorf Group recognizes the right of all employees to establish representative organizations and conduct collective bargaining to regulate working conditions, in accordance with the applicable ILO core standards⁴ and in accordance with applicable law

Equal treatment in employment

Equal treatment of all employees is a fundamental principle in our business policy at the Eppendorf Group. In accordance with the applicable ILO Convention⁵, we continuously try to assure a working environment free of discrimination which we are convinced is an essential aspect of socially just and dignified working conditions.

Payment of reasonable wages

The Eppendorf Group is committed to reasonable wages which are at least in the amount of the minimum wage established under applicable law and which enables our employees to also secure at least their livelihood.

Protection of local communities and indigenous people

We at Eppendorf respect the rights of local communities and indigenous people which might be affected by business activities at our locations, and we take into account the local effects of our business activities. Wherever the local legal system is deficient, we orient ourselves on the recognized international minimum standards with regard to what is illegal.

³ ILO- Convention No. 155, No. 161, No. 187 as well as ILO Protocol of 2002 to ILO Convention No. 155.

⁴ ILO- Convention No. 87, Nr. 98. and Nr. 135

⁵ ILO-Convention No. 100, Nr. 111 and Nr. 190.

Minimum protection of human rights when using security forces

The Eppendorf Group rejects all use of excessive force, torture and infringement of freedom of association and assembly by private or governmental security forces when protecting Eppendorf’s business activities.

Environmental risks

The Eppendorf Group acknowledges that many environmental risks such as handling mercury, persistent, organically harmful substances or hazardous waste can also have negative effects on human health.

Eppendorf’s “Environmental and Safety Mission” which applies throughout the company constitutes the framework for our operational protection of the environment. We examine our activities also with regard to conformity with applicable international conventions.⁶

3. Scope of the due diligence duties

This Declaration of Principles defines and explains how the Eppendorf Group promotes human rights and implements the ILO Core Labor Standards in Eppendorf’s business activities. This Declaration of Principles applies worldwide at all locations and for all areas of business in the Eppendorf Group and is focused on the issues that have particular relevance for the business and its employees.

The Eppendorf Group, as a globally active company, is linked to an extensive network of suppliers. As a result of the increasing internationalization of the procurement processes and growing complexity of supply chains, the risk of being connected indirectly or directly to violations of human rights is steadily increasing.

This is why the Eppendorf Group expects from its suppliers that they comply with human rights, especially the ILO Core Labor standards, the Principles in the UN Global Compact as well as the UN Guiding Principles for Business and Human Rights. We actively pursue at Eppendorf compliance and implementation of these principles throughout the entire value creation chain.

The Eppendorf Group is engaged, among other areas, in initiatives and networks covering various industries and plans to conduct qualification measures with suppliers and has established a multi-level risk management process.

4. Responsibilities within the business

We at Eppendorf have clearly defined responsibilities for preserving and complying with our due diligence duties related to human rights. The Chief Financial Officer is responsible within the Executive Board for compliance with human rights in our business activities as well as in the upstream and downstream value creation chain. The Chief Financial Officer delegates his/her responsibilities within the context of monitoring risk management to the (Senior Manager for Human Rights who was appointed on 1 January 2023) who reports directly to the head of the Sustainability Department and also reports on his/her responsibilities once each quarter and as needed directly to the Executive Board. The member of the Executive Board responsible for production is also regularly informed in the quarterly reporting. This regular reporting as well as reporting on specific occasions with regard to results of risk analysis relevant for human rights, information from complaint procedures and information about the effectiveness of our remedial and preventive measures has the effect that informed decisions can always be made.

The Senior Manager for Human Rights works independently when performing the duties assigned by the Executive Board. The Senior Manager for Human Rights especially has access to all internal information in the company when investigating information and is authorized to issue directives with regard to compliance with due diligence duties related to human rights and the environment.

All necessary resources are provided to the Senior Management for Human Rights for him/her to perform his/her duties. The responsibilities delegated to the Senior Manager for Human Rights include especially:

- Structuring and implementing the processes for complying with the due diligence duties related to human rights and the environment
- Compiling the information for the annual reporting and the Declaration of Principles
- Conducting measures for communications and training
- Monitoring risk management with regard to reasonableness and effectiveness
- Implementing risk-based monitoring measures for compliance with the processes defined for implementing the due diligence duties

In order to implement the due diligence duties, so-called human rights ambassadors are appointed in the particularly relevant fields of business. These ambassadors are subject to the control of the Senior Manager for Human Rights with regard to this portion of their work. and they implement risk management for their respective areas.

⁶ Minamata Convention, POPs Convention and Basler Convention

5. Risk management system

In order to comply with our due diligence duties related to human rights, the Eppendorf Group has established a risk management system. We have oriented ourselves on the requirements of IDW PS 980/981 (Audit Standard of the Institute of German Accounts).

Based on knowledge gained from analyzing risks over the course of many years and in specific situations, the management process for human rights is being continuously evaluated and further developed in the company and with regard to our direct and indirect suppliers.

Our management system for environmental risks and risks related to human rights is organized in three dimensions:

- the basic elements are risk management, risk analysis, prevention, remedies and the complaint process, in each case including regular evaluation and adjustment;
- the due diligence must be applied and documented in strategic decisions and operational processes and is the subject of public reporting;
- the scope of the due diligence includes the entire supply chain from mining raw materials to the end-customer, including the own field of business which also includes companies belonging to the group in which controlling influence is exercised.

As set forth in Chapter 4 “Responsibility within the business”, the Executive Board has determined which employees are responsible for implementing and monitoring risk management, and the Executive Board informs itself at least once annually about their work.

5.1. Risk analysis

The identification of potential negative effects on human rights from the own business activity represent for Eppendorf a central element of its due diligence. We identify risks in our own area of business and at direct suppliers in annual risk analyses and also at indirect suppliers if a specific situation arises.

Potential risks are evaluated at all locations of the Eppendorf Group in its own area of the business in a structured manner on the basis of uniform criteria. An individual evaluation is initially conducted for all locations on the basis of external risk indicators (for example, of the International Labor Organization, UNICEF or the U.D. Department of Labor), and on the basis of the (value creation) processes carried out on site and the number of employees and their structure. At select locations with an expected higher risk to human rights, a risk evaluation which is specific for the respective processes is carried out on the basis of additional data collected in a questionnaire (check for reasonableness). In a final step, especially the perspective of selected, vulnerable groups is obtained at locations with a very high risk to human rights, and specific risks to groups are identified on the basis of additional qualitative and quantitative data.

When identifying risks at direct suppliers, first an abstract risk analysis is initially carried out to classify the suppliers on the basis of belonging to locations and industries. In the case of suppliers where a potential for risk has been identified under the abstract risk analysis, additional information about risk management as well as business data such as production locations or number of employees is obtained using a questionnaire. An individual risk is determined on this basis for each supplier and serves as the basis for developing preventive measures.

A quantitative risk assessment on the basis of specific external risk indicators for the country and the sector which model the probability for a violation of human rights for each of the risks to human rights and the environment designated in the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, “LkSG”) is conducted. This results in specific areas of risk for Eppendorf’s own field of business for each location which has additionally been combined with the number of employees and the numbers for sales for the purpose of enabling informed prioritization. Based on an input-output model of the supply chain, both country and sector-specific risks as well as the potential number of employees in the supply chain are determined and evaluated. This results in a model for which countries and sectors are affected by which risks for human rights and in which degree this occurs.

During the course of the financial year 2023, a detailed risk analysis for each business unit and supplier will be prepared both for the own field of business as well as for the direct suppliers. For this purpose, the business unit and supplier will initially be classified on the basis of the available information (number of employees, sales, type of supplier, etc.) (abstract risk analysis). Basic preventive measures are established for all business units and suppliers with a low risk in the abstract risk analysis (see “8. Preventive measures”). In the case of suppliers with a moderate or high risk under the abstract risk analysis, additional information for the purpose of specification is obtained using a risk analysis tool. This information includes, for example, an evaluation of country and industry-specific risks, accessing information on specific risks on the basis of questionnaires and asking for relevant certificates.

Based on the information from the specific risk analysis, preventive measures are developed according to a fixed process and follow-up within the risk analysis tool by the responsible human rights ambassador still to be designated for the own business area and all areas of procurement having low procurement volumes and low potential risks (for example, our sales and service organization).

The information from the risk analysis tool is transferred through an interface to the supplier profile in our procurement platform for our areas of production with high procurement volumes and a potentially high number of high-risk suppliers. The risks are again evaluated on the procurement platform by the respectively responsible Category Manager and the respectively responsible purchasers in the context of additional information on the supplier (self-assessment questionnaire, results of audits, etc.). Based on this evaluation, preventive measures are determined and followed up in the procurement platform also according to a defined process by the responsible purchaser on the basis of this evaluation.

5.2. Results of the risk analysis and prioritized risks

The Eppendorf Group has controlling influence over 45 business units and more than 5,000 employees in more than 30 countries. As an international corporate group, the complexity of topics and the large number of suppliers poses a particular challenge. In light of this complexity, it is essential not to be reluctant and instead to start prioritizing on the basis of the results of the risk analysis and in the most important matters.

The risk analysis resulted in an increased risk for specific matters related to human rights and specific locations (conducted in November 2022 on the basis of audited data from the financial statements for the financial year 2021). An increased, moderate risk was identified, for example, for the topics Prohibition on discrimination, Prohibition on ignoring freedom of association, environmental violations. The risks extend especially, but are not limited to, the countries of Russia, United Arab Emirates, Hong Kong, Thailand, Brazil, South Korea, Malaysia, India and China.

We have identified the risks with regard to direct and indirect suppliers in the supply chain of the Eppendorf Group (conducted in November 2022 on the basis of audited data from the financial statements for the financial year 2021). In the course of our first quantitative risk assessment on the basis of country and sector-specific risk indicators, we have identified the following main areas of risk. In our supply chain, the areas of prohibition on ignoring freedom of association, prohibition on force by security forces, prohibition on discrimination, prohibition of child labor, workplace safety and wages constitute an increased, moderate risk. The risks extend especially to Asian and South American countries as well as countries in the Middle East.

6. Expectations for the own employees and suppliers

We base above all what we do on high ethical standards and values. We have anchored this demand also in our "Code of Conduct" which applies for all employees in the Eppendorf Group.

The principle of prevention always also additionally applies for all our activities. All conceivable burdens on the environment or human health should be avoided or at least kept as low as possible by acting carefully. Our "environmental policy" also works according to this principle, in which we have fixed our requirements for actions by all employees with regard to protection of the environment and health as well as workplace safety and process safety.

In accordance with the United Nations Guiding Principles for Business and Human Rights, we also use our influence beyond our own business so that also business partners, especially direct suppliers, respect human rights, and we use our influence so that this is also the case with indirect suppliers, and we take corresponding measures.

We accordingly expect from our suppliers that they comply with internationally recognized environmental and social standards. Our suppliers are also supposed to assure compliance with these standards by their own suppliers.

To the extent suppliers trade, process, export or mine minerals from conflict zones and high-risk areas on behalf of Eppendorf, we demand that they document how they act accordingly.

Eppendorf expects that suppliers do not tolerate any corruption whatsoever. They must make sure in their own businesses that the conventions of the UN and the Organization for Economic Cooperation and Development ("OECD") for combating corruption as well as the applicable anti-corruption laws are complied with

7. Preventive measures

The Eppendorf Group uses preventive measures to counter risks identified during the course of our risk analysis and, thus, prevent violations of human rights wherever possible in the own business and in the supply chain. We use a risk-based approach when implementing the measures and take into account the perspective of the potentially affected parties.

The preventive measures already implemented in the own business include a Code of Conduct, the risk-based certification of our own locations in accordance with ISO 14001 and 45001 as well as various processes involving workplace safety and protection of the environment.

The Eppendorf Code of Conduct is binding for all employees of the Eppendorf Group, i.e. the Eppendorf Group and all its German and foreign majority controlled subsidiaries. This includes the boards of directors and management personnel. The Code was comprehensively revised in 2022. We have described our expectations for our employees in our Code of Conduct. It covers, with regard to due diligence obligations for human rights and the environment, the dimensions of equal opportunity and respect, protection of health in the workplace, human rights and labor standards, protection of the environment, selection of business partners and the Eppendorf Compliance Line which functions as a possible process for complaints within the meaning of § 8 LkSG and also makes it possible to stop general violations of rules.

We have focused our efforts for certifications on the locations with the highest risk based on the number of employees and the processes that are carried out. In the course of this, we have already obtained certification under ISO 14001 for a large portion of our production sites (we will report annually about the current status of certification in our sustainability report). Additional certifications under ISO 14001 are planned in the coming years. We have so far obtained the certification for the Eppendorf Group under ISO 45001 and also plan additional certifications within the coming years using a risk-based approach.

Our Eppendorf HSE Mission, which implements corresponding local guidelines and processes, also applies for locations without certification.

In addition to the already established measures, we consider an important part of our due diligence duties to involve creating sensitivity in our employees. We plan a comprehensive program of communication and training for the financial year 2023, in order to inform if possible all employees of the Eppendorf Group about respect for human rights and the environment and to train them in the due diligence duties in accordance with their respective areas of responsibility. We will develop additional measures in the course of the detailed risk analysis to be carried out.

We define clear expectations for our suppliers. A revised Code of Conduct for Supplier is supposed to be the basis for working together with suppliers in the future, and we plan to provide the Eppendorf Code of Conduct for Suppliers accordingly to all our suppliers in the course of the coming year. We will take measures to contractually obtain commitments from our suppliers on a risk-based and prioritized manner and we will continuously further develop measures for specific situations.

We plan to support our direct suppliers when complying with the standards they commit to in the Code of Conduct for Suppliers by offering training sessions and demanding participation in the case of suppliers with high risks.

We conduct monitoring at direct suppliers on a risk-based basis and prioritize according to the ability to exercise influence. In the case of the on-site visits, we examine compliance with the preventive measures defined in the risk management process (e.g. in the Supplier Code of Conduct). Furthermore, we demand from select supplier certificates such as ISO 14001 or ISO 45001 und in the future also SA8000.

8. Complaints procedure

The complaints procedure is an essential element of our due diligence processes to identify potential violations of human rights and, thus, prevent adverse impact on human rights by our company and our business activities in an effective manner and also create remedies. Using this approach, for example, violations of human rights and workplace safety provisions and involving prohibition of union activities, discriminatory treatment, failure to pay reasonable wages, causing environmental damage, potential illegal actions, unethical practices and additional violations of the Act on Corporate Due Diligence Obligations in Supply Chains can be reported without any barriers.

Furthermore, received complaints constitute a further potential source for evaluating the risk situation and, in addition to the risk analysis, also for checking how effective measures are. The systematic treatment of complaints and the knowledge gained from this enables us to continuously improve our due diligence processes with regard to human rights.

The Eppendorf Group has worked intensively in the course of the financial year 2022 on implementing a system-based whistleblower system which is supposed to offer internal and external interest groups as well as all potentially affected persons a confidential, worldwide channel for communications for the purpose of reporting possible violations of human rights and international conventions, also anonymously if so desired. The rollout is taking place in a three-step process, in order to take into account the respective special aspects under national law when introducing such a tool.

All reported indications and legitimate suspicions about potential violations of human rights are handled in the context of a balanced process which is transparent for all parties. Confidentiality and anonymity of whistleblowers are protected.

If we receive legitimate complaints related to a supplier in our supply chain, the relevant supplier must declare that it is joining in the process and must develop together with us a plan of measures with binding deadlines that must lead to a resolution of the legitimate complaint. The procedural code with clearly defined steps in the process and deadlines is publicly available and is based on the criteria for effectiveness in the United Nations Guiding Principles for Business and Human Rights. The procedure is examined annually and in specific situations with regard to its effectiveness and the procedure is adjusted if necessary.

9. Remedies

Despite exercising comprehensive due diligence, we cannot always preclude violations of human rights in our own business or in our supply chain. We have established a channel that offers the possibility for receiving information in the case of violations in the form of the complaint procedure. If a violation of human rights occurs, the Eppendorf Group works as quickly as possible to end the violation. The individual case is addressed, and the needs of the potentially affected persons are accommodated. If the party causing the violation is a direct or indirect supplier and if the violation is not immediately stopped, we develop together with the party causing the violation a concept with clearly defined measures and deadlines. If possible and reasonable, we also work on this together with partners or industry initiatives. Furthermore, we use our efforts to reestablish the condition existing prior to the violation.

10. Examination of the effectiveness and continuous further development of due diligence related to human rights

The implementation of due diligence obligations with regard to human rights depends on changing general conditions. We understand the preservation of human rights and the protection of the environment to be a continuous learning and improvement process for all participants in the company. We have set ourselves the goal of continuously further developing and improving the implementation of due diligence obligations relating to human rights. Therefore, we conduct at least annually and on specific occasions examinations of the effectiveness in which we critically examine the output and outcome of our processes for the purpose of preventing or mitigating effects. We also examine whether our requirements are being complied with. We have defined various key indicators for this purpose which serve as the basic structure for analyzing effectiveness. In addition, we would like to strengthen the complaints mechanism as a central element for identifying gaps in the due diligence of the Eppendorf Group with regard to human rights.

This Declaration of Principles will be accordingly examined and updated.

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11. Reporting and documentation

We document the performance of our due diligence obligations on a continuous basis. The documentation is retained internally for seven years in a document management system which provides security for the purpose of audits.

In addition, we inform the public in our annual sustainability report about our due diligence obligations related to human rights and our due diligence processes and their effectiveness.

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12. Involvement of (potentially) affected stakeholders

This Declaration of Principles was developed in a dialog with the relevant internal offices as well as external experts and stakeholders. Based on the results of the detailed risk analysis, we are using our efforts to identify relevant industry initiatives in matters involving risk and to create additional formats for communicating with affected stakeholders. Above all formats for communication with locally affected parties are supposed to serve this purpose (e.g. using unions or local co-determination at the site).

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