



HENSOLDT Group

# Policy Statement on Human Rights

## I. Fundamental Position

The HENSOLDT Group is aware of its responsibility to respect human rights and to prevent any kind of human rights violations both within our Group and along our supply chains. We ensure relevant standards for working conditions and respectful interaction with each other. The well-being of all people involved is of considerable importance to us.

Human rights standards refer to the rights set out in the United Nations (UN) Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR) and recognized regional and national systems for the promotion and protection of human rights. Since 2020, we have been a signatory to the UN Global Compact, committing to the principles of respect for human rights.

The purpose of this policy statement is to confirm our ongoing commitment to respecting human rights in the conduct of all our business activities in the area of our own business but also in relation to our indirect and direct suppliers. In addition, it is intended to set out mechanisms to prevent or minimize the implementation of our strategy to address human rights risks relevant to the company and thus ensure a high level of human rights protection.

This policy statement clarifies our approach to identify all types of conduct that could give rise to a human rights or environmental risk as defined by the Supply Chain Due Diligence Act, and to establish monitoring, due diligence and training mechanisms, as well as communication and grievance mechanisms to promote and protect human rights, involving all relevant areas of the company and its affiliates.

## II. Scope and Responsibility of HENSOLDT Group

This policy statement applies as of 01 January 2023 to the HENSOLDT Group and all its subsidiaries and investments in which HENSOLDT AG directly or indirectly holds > 50% or otherwise exercises a determining influence.

Through this policy statement, our management hereby clearly positions itself to particularly respect and support compliance with the following human rights and environmental obligations:

### Our People and Society

- **Prohibition of child and forced labor, slavery and human trafficking:**  
We reject any form of forced or child labor without exception and are expressly committed to the prohibition of modern slavery or human trafficking.
- **Equal treatment of employees and zero tolerance of discrimination:**  
We ensure equal opportunities and do not tolerate any discrimination based on, for example, race, gender, religion, national origin, political opinion, sexual orientation, social origin, age and physical or mental characteristics.
- **Freedom of association and collective bargaining:**  
We respect the right of our employees to join a trade union. In addition, we support and initiate intensive dialogs with respective employee representatives.
- **Health and safety:**  
Health protection and occupational safety are top priorities for us. We comply with applicable occupational health and safety laws worldwide and further implement our own occupational health and safety standards at all our sites.
- **Fair working conditions and compensation:**  
We ensure fair working conditions, equitable pay and working hours in accordance with the national and international laws and guidelines applicable to our companies. To the extent permitted by law, we consider collective bargaining agreements as the basis for our working conditions and contracts.
- **Prohibition of unlawful forced evictions.**
- **Prohibition of violence by security forces.**

## Our Planet and Resources

We are committed to reducing the impact of our business activities on the environment, conserving our natural resources and seeking solutions that help protect our environment. We also place this expectation on our suppliers, which is also set out in our Supplier Code of Conduct. We hereby set particular focus on the following aspects:

- Protection of the environment and prevention of unlawful environmental impacts, including in the context of the Basel Convention (concerning the management of hazardous substances and wastes) and the Minamata Convention (minimization of mercury releases).
- Prohibition of causing harmful soil degradation, water pollution, air pollution, harmful noise emission or excessive water consumption, as well as any human rights violation through environmental degradation.

## Our Supply Chain

We also expect our business partners, including our indirect and direct suppliers, to be aware of their human rights, environmental and social responsibilities and to always follow certain basic ethical principles in their activities in accordance with this Statement of Principles.

Our Supplier Code of Conduct, together with this Policy Statement, formulates the HENSOLDT Group's expectations of its suppliers and the entire supply chain. We require that all business be conducted in accordance with the Supplier Code of Conduct.

## III. Implementation of our Human Rights Due Diligence Obligations

### Risk Analysis and Measures in Own Business Area

To ensure adequate protection of human rights in its own business area, HENSOLDT has established the necessary processes in corporate principles, guidelines, and procedural instructions, which generally apply and are implemented throughout the Group. In addition, HENSOLDT conducts inquiries of its own majority-owned companies in connection with this policy statement in order to be able to detect any abuses at an early stage. In addition, employees have unrestricted access to a person of trust as well as employees and third parties to an anonymous and fair complaints procedure. Regular training courses are also held on dealing with relevant human rights and environmental risks.

## Risk Analysis and Measures among our Business Partners

We have developed and implemented a comprehensive compliance program, which we have developed with particular regard to our individual risk profile, taking into account, for example, our industry, our product portfolio, our international sales to countries with increased corruption or human rights risks, and the background of our customers.

As part of the risk analysis, we have implemented strict monitoring and control activities to ensure that our compliance standards and requirements are met in day-to-day business. At the same time, we conduct regular risk analyses to continuously update and develop our assessment mechanisms. An integral part of this risk assessment is, for example, a risk indicator on potential human rights violations based on internationally used indices.

In cases where risks are identified, appropriate action is taken, and in the case of serious risks in particular, an informed decision on the business opportunity is required. HENSOLDT is prepared to reject a business opportunity even if it is legally permissible but poses an unacceptable risk to HENSOLDT's values.

## Risk Analysis and Measures among Supply Chain

HENSOLDT identified relevant direct suppliers and asked them to provide a comprehensive self-disclosure. In a first step, suppliers with high sales and importance were considered. In addition, a regular media audit is carried out with the aim of including all relevant inventory suppliers in this continuous monitoring process.

The supplier selection and pre-qualification process was adapted to ensure ESG screening at the outset of new business relationships.

The supplier assessment is based on a detailed survey with 5 different topic-related questionnaires. The core topics are environmental protection, human and labor rights, occupational safety, anti-corruption and anti-bribery, and supply chain responsibility. In addition, those suppliers must provide relevant certificates and update them as required. This data forms the basis for the necessary monitoring and evaluation activities as well as a corresponding risk analysis.

The HENSOLDT Group's risk analyses have shown that there could be potential risks in the supply chain with regard to working conditions, the environment and occupational health and safety. Likewise, certain suppliers are subject to increased risks due to their location in so-called "very high risk" countries.

To minimize and mitigate risks, appropriate preventive as well as countermeasures have been defined and integrated into a multidisciplinary process that also provides for an escalation procedure. HENSOLDT will also take appropriate measures if it becomes aware of a violation of a human rights-related or environmental obligation at an indirect or direct supplier.

## IV. Preventive and Remedial Measures as well as Communications

### Complaint Mechanism

The HENSOLDT OpenLine, consisting of a web-based whistleblowing system or an external ombudsman, is a confidential point of contact available to all HENSOLDT employees as well as external persons as an additional communication channel. In this way, concerns or indications of possible violations of human rights and environmental due diligence obligations can also be raised anonymously.

We investigate all reports on the basis of binding internal regulations. Each investigation is carried out independently and objectively with the involvement of the Compliance function and Internal Auditing. All reports and the respective investigations are regularly reported to the management in a standardized procedure. HENSOLDT does not tolerate any discrimination of persons who report to us via the OpenLine or via other communication channels.

Link: [HENSOLDT CHS \(hensoldtopenline.net\)](https://hensoldtopenline.net)

### Training and Awareness

For our employees, we offer a comprehensive and diverse training academy covering topics such as human rights, sustainability, health and safety, the environment, equal opportunities and much more. Our training program also includes mandatory training on our Code of Conduct and various other compliance training courses.

We are continuously working to expand our training offering. This includes, for example, offering training on human rights and environmental due diligence for selected target groups.

In addition to our employees, we also refer our suppliers to appropriate training opportunities.

### Communications, Documentation and Reporting

In our Group-wide Sustainability Report, we report annually on our activities, progress, and ambitions in all ESG (environmental, social, and governance) areas. We report transparently on material risks, our measures, and the progress we have made in safeguarding human rights and protecting the environment. For this purpose, a concept has been implemented for the most complete possible documentation for traceability.

### Remedial Actions

If violations of human or environmental rights are found to have been caused by HENSOLDT or to which HENSOLDT has contributed, we undertake to prioritize and address these events according to their impact and severity. This includes making every effort to provide appropriate remediation to those directly affected.

## Improvement and Development

We firmly believe that addressing human rights and environmental challenges in our global supply chains is an ongoing task that requires systemic change in addition to our company-specific initiatives. In this context, cooperation with our suppliers and business partners is essential.

HENSOLDT will therefore critically review its role and the implementation of human rights due diligence obligations on a regular basis and continuously develop them further. This also applies to our various internal guidelines and processes concerning the topic of human rights.

## V. Role and Responsibilities

The overall responsibility for human rights and environmental due diligence lies with the CEO of HENSOLDT AG. It includes at least the control and monitoring of the Supply Chain Act-related measures. In implementation of this policy statement, the entire Management Board must be informed regularly, at least once a year, about the work of the responsible function or functions.

Each company in the Group is required to adhere to this Statement of Principles and to implement those principles. Implementation of and compliance with the principles set out here are therefore the responsibility of the respective management of the Group companies.

The respective Group departments develop appropriate measures and processes in this regard. Responsibility for the respective implementation of human rights due diligence in the subsidiaries lies with the respective management of the entity.

The "Human Resources" department is responsible for coordinating measures to ensure respect for human rights and fair working conditions. Processes to ensure due diligence within our supply chain are developed and defined by the "Procurement" department. The Compliance department provides support, advice and is involved within the scope of its respective responsibilities, particularly with regard to any corruption risks, but also functionally, for example in the context of investigating reports of potential human rights or other relevant violations.

The departments and subsidiaries are supported by the Corporate Sustainability Department in implementing and coordinating the matters.

Our General Counsel has been appointed Human Rights Officer, supported by several departments such as ESG, Procurement, HR and Compliance in particular. Our Human Rights Officer is responsible for monitoring those mechanisms described in the Policy Statement and is always informed in case of risk identification. In cases of high risk, our Human Rights Officer also assumes an advisory role and participates in the final decision-making process.

HENSOLDT will critically review this policy statement and its implementation on a regular basis and, if necessary, on an ad hoc basis, and update it as needed.

The terms used in this document are based on the legal terms used in the Supply Chain Due Diligence Act and are congruent in terms of content.

## **HENSOLDT AG**

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Dr Lars Immisch and Celia Pelaz Perez

Chairman of the Supervisory Board: Johannes Huth

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