

## **Policy statement of the CHIRON Group SE on respecting human rights**

### **WHO ARE WE?**

The CHIRON Group SE is sought after throughout the world as a specialist for vertical milling and mill-turning machining centers and for its turnkey and automation competence. The Group, headquartered in Tuttlingen, Germany, includes production and development sites and sales and service subsidiaries in Germany and abroad. The network stretches right across the world, including via selected distribution intermediaries.

### **WHAT DO WE STAND FOR?**

With around 1,900 workers currently employed worldwide, we face complex challenges daily and develop future-proof solutions for our customers with real team spirit. We are constantly expanding our established fields of competence and adopting new skills early on, bringing together the individual expertise of our employees to create added value. Together, we fulfill the promise we make our customers:

### **PERFORMANCE MEETS PRECISION**

We act with foresight and think of future generations. The CHIRON Group tackles global challenges head on, and takes its responsibility for climate protection, resource efficiency and reducing carbon emissions seriously. We are partners of »Blue Competence«, the sustainability initiative of the German Mechanical Engineering Industry Association (VDMA). One of the twelve guiding principles of sustainability is:

## **WE STAND UP FOR COMPLIANCE WITH HUMAN RIGHTS.**

As a company with a global presence and international ties, the CHIRON Group recognizes its particular responsibility to work toward an improved global human rights situation across its supply chains and its business relationships, with a view to gearing its 2030 agenda toward socially, economically and ecologically sustainable development.

We therefore align our corporate activities with the United Nation's internationally recognized guiding principles for business and human rights, and consequently implement the requirements of the National Action Plan for Business and Human Rights applicable in Germany, as well as the law on corporate due diligence obligations in supply chains (German Supply Chain Due Diligence Act, LkSG).

Our understanding of due diligence obligations in issues of human rights is also based on the following international human rights instruments:

- The Universal Declaration of Human Rights of the United Nations
- Principles of the UN Global Compact
- OECD Guidelines for Multinational Enterprises
- Core labor standards of the International Labour Organization (ILO) with its five basic principles on
  - Freedom of association and the effective recognition of the right to collective bargaining
  - The elimination of all forms of forced or compulsory labor
  - The effective abolition of child labor
  - The elimination of discrimination in respect of employment and occupation
  - A safe and healthy working environment

The CHIRON Group has also established various corporate guidelines relating to human rights which likewise form a basis for our activities, especially the following:

- CHIRON Group Code of Conduct
- CHIRON Group Supplier Code of Conduct
- Management systems for occupational health and safety, the environment and energy

We are also committed to the 17 sustainable development goals (SDGs) of the United Nations, and have identified some of these as particularly essential for our corporate activities. These prioritized SDGs are closely tied to issues relating to human rights:

- SDG 3: Good health and well-being
- SDG 4: Quality education
- SDG 5: Gender equality
- SDG 7: Affordable and clean energy
- SDG 8: Decent work and economic growth
- SDG 9: Building resilient infrastructure, promoting integrative and sustainable industrialization and fostering innovation
- SDG 12: Responsible consumption and production
- SDG 13: Climate action
- SDG 17: Strengthening the means for implementation and revitalizing the global partnership for sustainable development

## **RELEVANT HUMAN RIGHTS ISSUES AND POTENTIALLY AFFECTED GROUPS OF PEOPLE**

The increasing integration of the CHIRON Group into global procurement and sales markets offers both opportunities and challenges. New markets and production facilities are being developed, and jobs and prosperity are consequently being created. At the same time, risks can also arise in the supply chains due to a lack of transparency and potentially inadequate enforcement of internationally recognized human rights. We are aware that corporate business activities and global supply and value chains pose the risk of potentially disadvantageous effects on human rights.

We commit to respecting, protecting and upholding the human rights of individuals. We stand by this responsibility as a company, independently of the ability or readiness of countries to attend to their duty regarding the protection of human rights. The CHIRON Group is aware that fair wages must be paid, work must be done to achieve appropriate working conditions on site, and the exploitation of children must be prevented. Granting equal rights to men and women goes without saying for us. We do not disadvantage anyone based on their gender, their descent, their race, their language, their homeland and origin, their beliefs, their religious or political views, their sexual orientation or a physical or mental disability. We renounce corruption as well as forced labor and human trafficking.

We focus our due diligence obligations relating to human rights on the following topics, which we have identified as particularly essential for our business activities based on a risk analysis:

- Discrimination in any form  
(e.g. based on gender, age, ethnic and social origin, nationality, religion or world view, physical or mental disability, sexual orientation)
- Restriction of freedom of assembly and freedom of association
- Endangering health and safety at the workplace
- Precarious terms of employment and working conditions
- Corruption and bribery

Our efforts regarding measures for safeguarding human rights include all groups of people whose human rights could potentially be endangered by the business activities in our supply chains. This includes, in particular, our own employees – no matter which form of employment – and groups of people in our direct supply chain, such as providers of work and services and direct suppliers, but also groups of people in the downstream value chain.

## **OUR MEASURES FOR IMPLEMENTING DUE DILIGENCE OBLIGATIONS RELATING TO HUMAN RIGHTS**

The CHIRON Group has taken various organizational measures to ensure compliance with due diligence obligations relating to human rights:

- The Board of Directors and the Managing Directors consider compliance with human rights to be the highest priority, and they initiate and support measures for implementation.
- The CHIRON Group has named a Human Rights Officer, who is responsible for coordinating and monitoring all measures within the framework of due diligence obligations relating to human rights.
- Moreover, responsibilities relating to human rights are enshrined in other organizational units of the company, especially in the area of Supply Chain Management.
- The CHIRON Group expects its employees to fulfill and implement the due diligence obligations committed to by the company.
- The CHIRON Group uses risk management to be able to recognize human rights violations in the supply chain in good time, and to analyze them. As part of a risk analysis, qualitative and quantitative criteria are used for the supplier risk assessment and the identified risks are assessed against the background of protected human rights positions (according to the German Supply Chain Due Diligence Act (LkSG)). The determined risks are prioritized

internally. Through preventative and corrective measures, we promote the avoidance of risks and strive at least to contain any disadvantageous effects of our business activities.

- In the CHIRON Group, work on measures for the implementation of due diligence obligations relating to human rights is a process that is subject to regular and situation-specific reviews depending on changing business environments.
- We expect our business partners and, above all, our suppliers to commit to respecting human rights just as we do, to undertake to establish appropriate due diligence obligations and to pass on these expectations to their own suppliers. We expect active cooperation from our suppliers when it comes to due diligence obligations relating to human rights. We have addressed human rights issues in our direct supply relationships via our conditions of purchase. We will enter into a dialog at least with our direct business partners, in order to contractually oblige them to comply with all laws that apply in the respective country as well as the core labor standards of the ILO, to respect human rights and to appropriately address any risks to their own business partners relating to human rights.
- We raise awareness of human rights issues both inside and outside our organization. In particular, we give our employees training on this and also offer training modules for our suppliers.
- We communicate our values and our declared belief in upholding human rights. In particular, we communicate our policy statement on respecting human rights to our employees and employee representatives internally, as well as externally via our website.
- We support the exchange of experiences with other companies and take part in cross-sector initiatives dedicated to sustainability. In addition to our »Blue Competence« initiative, we have undertaken to achieve the reduction targets of the Science Based Targets initiative (SBTi) (initiative for a science-based reduction of greenhouse gas emissions).  
The efforts we've made so far and that are still planned can be found in the voluntarily published Sustainability Report of the CHIRON Group (current edition: 2022).
- We continuously document the fulfillment of our due diligence obligations and keep the reports on the individual financial years available on the CHIRON Group corporate website within the legally stipulated periods.
- We regularly review the effectiveness of our measures. This is done in particular through the revolving risk analysis, through our supplier evaluation and – where applicable – through supporting supplier audits, as well as through the consideration of messages via our complaints mechanism as part of the risk analysis and the supplier evaluation.
- We renounce any form of human rights violations, and take action against any such violations. A complaints mechanism is therefore an indispensable building block for us in order to increase transparency regarding potential human rights violations and to be able to take effective countermeasures.

To this end, the CHIRON Group has established a complaints mechanism that is easily accessible both to employees and to groups of people outside the company.

We encourage everyone inside and outside our company to inform us of any concerns in relation to our business activities, especially potential violations of this policy statement, applicable laws or guidelines of the CHIRON Group.

We view the implementation of due diligence obligations relating to human rights in our organization and in our business processes as an important contribution toward improving the human rights situation. We will continue to further develop our policy statement on respecting human rights.

For the Board of Directors of the CHIRON Group

01.05.2025



Dr. Armin Schmiedeberg, Chairman of the Board of Directors

The Managing Directors of the CHIRON Group



Markus Unterstein, CFO



Dr. Claus Eppler, CTO