

Policy Statement on Human Rights and Environmental Due Diligence Obligations¹ of OSRAM GmbH – Munich

¹ In accordance with the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains (Supply Chain Due Diligence Act - SCDDA, Lieferkettensorgfaltspflichtengesetz – LkSG).

1 Commitment to Respect for Human Rights and the Protection of the Environment

As a leading international company in the lighting industry and being a part of the ams OSRAM Group, OSRAM GmbH is aware of its responsibility within the global value chain.

We hereby undertake to prevent, mitigate and, where necessary, remedy any negative impacts on human rights and the environment that might arise in the context of our business activities, business relationships, supply chain or through our products. At the same time, we aim to strengthen positive effects.

We respect and uphold internationally recognized human rights and are committed to protecting the environment wherever we operate. Furthermore, we expect the same from our employees, suppliers, and business partners worldwide. This includes complying with the following international standards and frameworks which are also enshrined in our [Code of Conduct for Employees](#), [Code of Conduct for Suppliers](#), [Human Rights Policy](#), as well as in our [EHS Policy](#):

- United Nations (UN) Universal Declaration on Human Rights and other international agreements
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- Tripartite Declaration of Principles of the International Labor Organization (ILO) Concerning Multinational Enterprises and Social Policy (“MNE Declaration”)
- Guidelines of the Organization for Economic Co-operation and Development (OECD) for Multinational Enterprises
- Principles of the United Nations Global Compact (UNGC)
- Responsible Business Alliance (RBA) Code of Conduct

2 Fulfilling our Human Rights and Environmental Due Diligence Obligations

2.1 Governance and Lead Functions

At OSRAM GmbH, the Management is responsible for the implementation of, and compliance with, the principles and procedures set out in this Policy Statement on Human Rights and Environmental Due Diligence Obligations.

To continuously fulfill these due diligence obligations, OSRAM GmbH closely cooperates with various corporate and specialist departments of the ams OSRAM Group. The corporate Human Resources (HR) Department and the corporate Environmental Protection, Health and Safety (EHS) Department are responsible for coordinating the relevant due diligence activities at our own locations, including subsidiaries (including OSRAM GmbH). The corporate Procurement Department is responsible for ensuring that our due diligence obligations are complied with by the Group’s entire supply chain (including the supply chain of OSRAM GmbH). The corporate Compliance Department is responsible for the whistleblowing system “[Tell ams OSRAM](#)”, which is one of the main reporting channels of our complaints management system. Corporate Audit assesses compliance with our Supply Chain Due Diligence Risk Management System, as well as its effectiveness and efficiency. The Legal Department provides legal advice to all functions.

The Management Board of the ams OSRAM Group has appointed the Head of Audit, Compliance & Risk Management as the Group Human Rights Officer. The Group Human Rights Officer is responsible for monitoring compliance with due diligence obligations, including the Supply Chain Due Diligence Risk Management System of OSRAM GmbH. The Group Human Rights Officer is supported by the Group Human Rights Manager and national Human Rights Coordinators.

2.2 Risk management under the German Supply Chain Due Diligence Act (LkSG)

We have established a risk management system that aims to identify, report, assess and prioritize potential human rights risks and violations as well as environmental impacts within our value chain, and to define and implement appropriate preventive and remedial measures.

2.2.1 Risk analysis and assessment

The corporate specialist departments of the ams OSRAM Group (HR, EHS and Procurement) are responsible for subjecting our entire value chain to human rights and environmental risk analyses. These analyses are performed on an annual basis and ad-hoc, especially if we have substantiated knowledge indicating that human rights or environmental due diligence obligations may have been violated. To this end, we rely on a structured risk assessment process as well as on the risk and hot spot analyses specifically conducted for OSRAM GmbH. Based on the risk analyses conducted, the following risk areas have been identified within both our own operations and our supply chain, and addressed with priority:

- Working conditions
- Discrimination in employment
- Environmental protection, occupational health and safety
- Working hours (in the supply chain only)
- Child and forced labor, human trafficking (in the supply chain only)

The results of the risk analyses and risk assessments are documented; they are reported to the Group Human Rights Officer and the Management of OSRAM GmbH. These results provide the basis for developing effective prevention measures in close cooperation with the corporate and local specialist departments responsible. Significant risks are also incorporated into the Group-wide Enterprise Risk Management and thus reported to the Group's Management Board.

2.2.2 Preventive measures

The ams OSRAM Group has set up policies and guidelines which apply to the whole group, including OSRAM GmbH². They form a mandatory action framework for all employees and business partners of the ams OSRAM Group and define concrete instructions for action, measures, and objectives, in order to comply with human rights and environmental due diligence obligations:

- [ams OSRAM Code of Conduct for Employees](#)
- [ams OSRAM Code of Conduct for Suppliers](#)
- [ams OSRAM Human Rights Policy](#)
- ams OSRAM HR Policy (internal document)
- [ams OSRAM EHS Policy](#)
- [ams OSRAM Conflict Minerals Policy](#)

Compliance with applicable laws, as well as with the corporate policies and guidelines adopted, is compulsory for all employees and business partners of OSRAM GmbH. To fulfill our responsibility within the scope of human rights due diligence obligations and prevent any

² In addition, OSRAM GmbH has concluded local employer/works council agreements for its own location which refer to various aspects of due diligence obligations in accordance with the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG).

offenses, we have implemented the following measures for our own employees and locations, as well as for our suppliers:

- We inform and train employees regularly on human rights (including working conditions), health and safety at work, as well as environmental protection.
- We conduct in-house surveys, analyses, audits, and certifications (or have them conducted by third parties).
- We develop and implement strategies and measures for handling identified external and internal risk areas or fields of action.
- We define concrete requirements (e.g., external certifications) for suppliers and service providers; furthermore, we request information, for example, on human rights, child and forced labor, as well as environmental protection. These requirements are an integral part of our supplier selection, qualification, monitoring, and development process. We perform risk-based audits, also as part of industry initiatives.

2.2.3 Complaints procedure

OSRAM GmbH has established various reporting channels which can be used by employees and third parties to report human rights and environmental risks and violations at any time. This allows us to identify negative developments and grievances at an early stage.

[“Tell ams OSRAM”](#) is our on-line reporting system; it is accessible to all employees of the ams OSRAM Group as well as to all external stakeholders. The e-mail contact addresses and online contact forms provided on the ams OSRAM website and on our company Intranet can also be used for this purpose. In addition, employees can contact the Group Human Rights Officer, the national Human Rights Coordinator, the responsible HR department, or the respective line manager. All relevant reports submitted via the various channels are documented and processed in accordance with our internal complaints procedure. See also [Rules of procedure](#) on the complaints procedure.

2.2.4 Remedial measures

Violations of legal requirements or our corporate policies and guidelines are not tolerated and will be consistently prosecuted. We have developed and implemented internal processes which define how to proceed in the case of a reported or confirmed incident, and which measures are necessary and appropriate for eliminating it. These can include e.g. disciplinary measures against employees. If a supplier has committed a substantial violation of our Code of Conduct, we reserve the right to terminate contracts after a reasonable remedy period has elapsed unsuccessfully.

All relevant incidents are documented and processed based on the remedial measures defined; and their implementation is carefully tracked. Incidents and results of remedial measures are reported to the Management Board both on a regular basis and ad-hoc and published once a year within the scope of the supply chain due diligence (LkSG) reporting.

2.2.5 Monitoring the effectiveness of the risk management

The Group Human Rights Officer of the ams OSRAM Group is responsible for monitoring the effectiveness of the Supply Chain Due Diligence Risk Management System in accordance with the LkSG. The Group Human Rights Officer reports to the Management of OSRAM GmbH on supply chain due diligence compliance at least once per year. In addition, Corporate Audit assesses compliance with our Supply Chain Due Diligence Risk Management System, as well as its effectiveness and efficiency throughout the ams OSRAM Group.

2.3 External/ internal communication and reporting

Information on human rights, health and safety at work, supply chain due diligence, and environmental protection is published on the [website of the ams OSRAM Group](#). This includes company policies, as well as codes of conduct and processes intended for both our employees and our suppliers.

We will establish a report on compliance with our due diligence obligations for the previous fiscal year in accordance with the provisions of the German Supply Chain Due Diligence Act (LkSG), submit this report to the German Federal Office of Economics and Export Control (Bundesamt für Wirtschaft und Ausfuhrkontrolle, BAFA) in due time, and publish it on the website mentioned above. Furthermore, we report on these topics in the annual sustainability report of ams-OSRAM AG.

Internal communication takes place through various channels such as our Intranet, as well as through training activities, manuals, or instructions for action. The Group Human Rights Officer reports to the Management Board on compliance with human rights, environmental and other supply chain due diligence obligations, both on a regular basis and event driven. Where legally required, committees such as the Works Council, Economic Committee or the Supervisory Board are informed or notified.

3 Outlook

Respect for human rights is a major part of the social responsibility of OSRAM GmbH as a company. We are aware that the implementation of human rights due diligence obligations in our own business area as well as in our supply and value chains is a constantly evolving process. We take on this challenge and regularly check our strategic approaches and measures with the goal of continuous improvement. Within the scope of supply chain due diligence and sustainability reporting, we regularly inform on measures implemented and strategic developments in a transparent manner.

The Management of OSRAM GmbH

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(Chairman)


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Munich, 26.11.2024

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