

Webasto Group

Social & Environmental Principles Policy



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Revision history

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1. Purpose

Adherence to applicable laws (local, state, national, federal and/or international), rules, regulations and professional standards, and internal guidelines, policies and directives (“**Rules**”) constitute a fundamental principle of the corporate culture at Webasto SE, its subsidiaries and affiliates (“**Group Entities**” or “**Webasto Group**” or “**Webasto**”). Our success depends on our compliance with all Rules. Violation of the Rules may result in serious consequences for Webasto Group, its employees, business partners, and stakeholders.

The Webasto Code of Conduct and this Webasto policy on social and environmental principles (“**Social & Environmental Principles Policy**”) together form a binding guideline for the members of the management boards of the Group Entities, managerial staff and employees of the Group Entities (“**Employees**”). This Social & Environmental Principles Policy serves as an important guide for the daily conduct of business of the Webasto Group and forms minimum standards for all Employees. This Social & Environmental Principles Policy is intended to support the Group Entities and the Employees to – to the extent legally and actually/factually possible – fulfill their obligations resulting from the applicable Rules and help avoiding violations of the Rules and associated risks in the field of social & environmental items as well as to support the Employees to adhere to essential social & environmental principles.

All Employees are on notice that breaches of any Rules and/or this Social & Environmental Principles Policy may have serious consequences. The consequences of the aforementioned breaches could and will likely result in corrective action taken against Employees, civil actions brought by third parties or government authorities, and/or criminal actions brought by government authorities. Additionally, in some circumstances governmental authorities or other third parties may take action against Webasto Group for your actions.

2. Scope of application, responsibilities

This Social & Environmental Principles Policy applies without exception to all Group Entities and Employees. Group Entities and Employees are required to review, understand, and abide by the requirements set forth herein. This Social & Environmental Principles Policy is effective as of the effective date as set out below and without any further action or implementation measures. It supersedes any prior policy as it relates to social and environmental principles. As a result, each Employee is on notice and required to strictly adhere to this Social & Environmental Principles Policy. Each Group Entity is encouraged to revisit and assess in its respective region prior agreements to ensure that they embody the letter and spirit of the Rules and this Social & Environmental Principles Policy.

This Social & Environmental Principles Policy can be found at <http://onenet.global.web-int.net> under the tile “**Compliance, Whistleblower System, Data Protection**” or the tile “**WIMS**” (Webasto Integrated Management System).

This Social & Environmental Principles Policy is endorsed and adopted by the management board of Webasto SE. Each Group Entity shall adopt, implement, maintain and monitor all measures, processes and reports that have been established in this Social & Environmental Principles Policy. They are responsible for addressing all questions arising from this Social & Environmental Principles Policy and to create an environment that fosters trust and encourages the Employees to ask questions and openly address compliance issues with respect to this Social & Environmental Principles Policy. In addition, they shall support the relevant departments in charge, i.e., in particular the departments of Human Resources (“**HR**”), Health, Safety & Environment (“**HSE**”), Corporate Strategy and Development – Sustainability (“**Sustainability**”), Purchasing (“**Purchasing**”), Operations (“**Operations**”), Research & Development (“**R&D**”), Quality (“**Quality**”) as well as Legal & Compliance (“**Legal & Compliance**”). They are supported by the chief compliance officer of the Webasto Group (“**CCO Group**”), the regional chief compliance officers (“**CCO Region**”) and the local compliance officers of each Group Entity (“**LCO**”) (together “**Compliance Officers**”).

3. Social Principles

The members of the management boards of the Group Entities shall ensure that the Group Entities comply

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with the essential social principles as set out below in all their business operations and their day-to-day business. The same applies to all Employees. In addition, the below social principles are considered in the Webasto Group policies shall be passed on to the Webasto suppliers according to the provisions of the Webasto supplier Code of Conduct (“SCoC”).

3.1 Human rights

Ethical behavior is a basic principle at Webasto. Webasto respects, protects and promotes human rights and complies with the applicable Rules with respect to the protection of human rights in all of its business operations, including in geographical areas where human rights are not yet sufficiently protected.

Webasto works towards preventing situations of complicity or acts of collusion concerning fundamental human rights violations. Webasto complies, in particular, but not limited to, the UN Universal Declaration of Human Rights, 1948, UN Guiding Principles, relevant OECD Guidelines and Principles. Further, Webasto fulfills its responsibility towards human rights related due diligence obligations throughout its entire supply chain according to the provisions of the German Act on Corporate Due Diligence Obligations in Supply Chains (“SCDDA”).

Webasto supports the protection of human rights defenders. In case Group Entities and/or Employees become aware of actual and/or potential risks to human rights defenders within Webasto and in connection with Webasto business operations, they shall oppose all forms of intimidation, threats, discrimination, harassment, defamation, and criminalization of human rights defenders and must demand the same from their suppliers within the Webasto supply chain. The relevant Purchasing and HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.2 Freedom of association & right to collective bargaining

In compliance with applicable local laws, Webasto acknowledges the global right of all workers to form and join trade unions of their own choice and ensures that union independence and pluralism are maintained. and to protect union members and leaders as well as to refrain from all forms of anti-union discrimination. In particular, but not limited to, Webasto complies with the provisions of the following Rules:

- ILO Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87),
- ILO Right to Organize and Collective Bargaining Convention, 1949 (No. 98),
- Art. 22 of the International Covenant of 19 December 1966 on Civil and Political Rights and Art. 8 of the International Covenant of 19 December 1966 on Economic, Social and Cultural Rights, and
- ILO Workers’ Representatives Convention, 1971 (No. 135).

The Employees are to be informed about the relevant rights arising from the above rules and the members of the management of the Group Entities are to be trained in such a way that the rights arising from the Rules are applied without restrictions. In addition, clear rules and framework conditions for collective bargaining shall be established or alternative procedures established if these rights are not guaranteed by law. These additional rules must as well apply to all workers. The relevant HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.3 Prohibition of modern slavery

Within Webasto, the usage of forced, bonded or indentured labor, involuntary or exploitative prison labor, slavery, slavery-like practices, servitude or any other forms of domination or oppression in the workplace environment, such as through extreme economic or sexual exploitation and humiliation, or trafficking of persons is not tolerated at all.

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The Group Entity as well as the Employees must not implement any kind or form of unreasonable restrictions on the worker's freedom of movement in the working facilities. Each worker shall be provided with a record of the essential employment conditions agreed upon in either the respective native language or another language chosen between the parties. No financial burden shall be imposed on workers by withholding wages or expenses or charging fees in the recruitment process. The Group Entities as well as the Employees must not restrict the movement of workers by withholding identification documents or taking other measures against the workers' will. In particular, Webasto undertakes to comply with the following Rules:

- ILO Forced Labor Convention, 1930 (No 29),
- ILO Abolition of Forced Labor Convention, 1957 (No. 105),
- ILO Worst Forms of Child Labor Convention, 1999 (No. 182), and
- ILO Protocol to the Forced Labor Convention (1930) of 2014.

The Group Entities and the relevant departments have clear policies that set out implementation procedures for recruitment, promotion and termination. The Group Entities shall outline how they monitor their labor and recruitment practices both within the respective company itself and with third parties, such as employment agencies and recruiters, and how they keep appropriate records. Working conditions and employment contracts shall be clearly documented in writing. The relevant HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.4 No child labor & protection of young workers

Child labor is not and will not be tolerated under any circumstances within Webasto and its business operations. Webasto commits itself to help eliminate child labor throughout the world, i.e., any person under the age for completing compulsory education, under the minimum age for employment in the country, or under the age of 15, whichever is higher. Any person older than the minimum legal age for employment, but younger than 18 years of age, shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Especially but not limited to, Webasto checks the age data of employees and applicants and complies with the following Rules:

- ILO Minimum Age Convention, 1973 (No. 138),
- UN Convention on the Rights of the Child, 1989, and
- ILO Worst Forms of Child Labor Convention, 1999 (No. 182).

The aforementioned Rules are considered in the contracts and agreements within Webasto and between Webasto and third parties. In case child labor and/or young workers performing health or safety relevant work should be identified in Webasto operations, Webasto will not only remove the children/ young workers from employment, but also ensure that adequate remedial measures are taken, such as enrolment in an appropriate education program. The relevant HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.5 Working hours, wages & benefits

Webasto complies with the applicable laws on working hours and compensation. In particular, Webasto implemented procedures to secure that working hours are not to exceed the maximum hours and minimum breaks and rest periods set by local law or set by industry standards, whichever sets the higher level of protection, are observed. Within Webasto, the compensation paid to workers is compliant with all applicable wage & benefit laws, overtime hours and legally mandated benefits. Workers shall be provided with a wage statement that includes sufficient detailed information for each pay period to verify the correct compensation for the work performed. In particular, Webasto complies with the following Rules:

- ILO Hours of Work (Industry) Convention, 1919 (No. 1),

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- ILO Hours of Work (Commerce and Offices) Convention, 1930 (No. 30),
- ILO Equal Remuneration Convention, 1951 (No. 100), and
- ILO Part-Time Work Convention, 1994 (No. 175).

Wages and benefits shall be reviewed regularly to determine whether they provide an adequate standard of living, taking into account a wage for full-time employment. They shall be agreed in negotiations with trade unions or through alternative forms of participation if required according to the applicable Rules. The relevant HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.6 Non-discrimination, non-harassment

Discrimination and harassment are not tolerated within Webasto. The Group Entities and the Employees shall not establish or entertain or engage in any discrimination and/or harassment based on race, color, ethnic origin, gender, gender identity, religion or belief, age, disability, pregnancy, parenthood, marital status, political affiliation and sexual orientation while ensuring equal treatment.

The principle of equal pay for work of equal value regardless of gender applies at Webasto. Further, within Webasto, equal opportunities in the workplace are guaranteed and all forms of discrimination and harassment are prohibited and Webasto follows the respective applicable Rules in this regard. In particular, but not limited to, Webasto complies with the following Rules:

- ILO Equal Remuneration Convention, 1951 (No.100),
- ILO Discrimination (Employment and Occupation) Convention, 1958 (No. 111),
- UN International Covenant on Civil and Political Rights, 1966, and
- UN International Covenant on Economic, Social, and Cultural Rights, 1966.

The management boards of the Group Entities and the Group Entities' management have to ensure that the Employees are adequately trained to recognize and prevent discrimination and harassment, especially in personnel decisions. All Employees should be regularly sensitized to discrimination, harassment and unconscious bias and steps for reporting violations should be explained, e.g., by corresponding trainings. The relevant HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.7 Gender rights & women's rights

Webasto respects, protects and promotes the rights of any gender including women's rights and complies with the applicable Rules in this regard. Irrespective of the aforesaid and according to the applicable Rules, Webasto observes the specific women's rights, in particular, but not limited to, with respect to the protection and support of women in case of pregnancy and maternity.

In addition, Webasto strives to constantly increase the percentage of women at the management levels 1 to 4 and in the respective management and supervisory boards within the Webasto Group.

3.8 Diversity, equity & inclusion

Within Webasto, diverse skills and experiences of the Employees are supported irrespective of their differences or similarities. Webasto provides its Employees with a work environment that promotes equity, fairness and respect for social and cultural diversity and inclusion, all being free of unlawful discrimination, harassment and disparagement as set out by the applicable Rules. Further, Webasto is an equal opportunity employer with all actions, duties and engagements carried out on the basis of performance and ability. The relevant HR departments within Webasto are in charge of taking care of the aforesaid obligations. In

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particular, Webasto complies with the following Rules:

- ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169),
- UN Declaration on the Rights of Indigenous Peoples, 2007, and

3.9 Occupational health & safety

Webasto is convinced of and supports the concept that a safe and healthy work environment enhances not only the quality of products and services but also sustains the consistency of production as well as the workers' retention and morale. Therefore, Webasto applies effective occupational health and safety policies involving Employees at all levels of responsibility within the company as well as labor and management representatives. The relevant HR and HSE departments within Webasto are in charge of taking care of the aforesaid obligations.

That includes in particular to implement and operate a recognized and certified occupational health and safety management system (e.g., according to ISO 45001) at work to minimize workers' potential for exposure to health and safety hazards by means of identification, including, but not limited to, noise tests, assessment and controls, preventive maintenance and safe work procedures up to ongoing safety trainings. Such measures and actions have to be documented and archived by the responsible department. The relevant departments shall identify, assess and minimize any kind of impact of potential emergency situations and undertakes to implement appropriate emergency preparedness plans including trainings and drills respectively. Furthermore, Webasto complies with all applicable local Rules regarding occupational injury and illness, industrial hygiene, machine safeguarding, sanitation, food and housing. The relevant HR and HSE departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA. Webasto complies in particular, but not limited to, with the following Rules:

- ILO Occupational Safety and Health Convention, 1981 (No. 155) and
- ILO Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187).

Webasto continuously improves the internal policies, processes, guidelines with respect to the working environment to avoid work-related accidents and illnesses. In addition, Webasto expects from its suppliers that they have appropriate policies and guidelines on occupational health and safety in place and promote a preventive approach where occupational accidents and illness are fundamentally preventable.

In addition, the relevant HR and HSE departments at Webasto conduct regular inspections to ensure worker safety, set ambitious targets for accident rates, fatalities and lost days, and report on their progress on an annual basis. The departments in charge document and archive all health and safety training of its workers and provide them with access to health services, e.g., by on-site medical officers.

3.10 Deployment of public & private security forces

In general, the Group Entities shall use own security forces to protect their business operations and/or sites/plants. If private security service providers and/or public security forces are used, the Group Entities, i.e., the respective departments, must ensure that they respect internationally recognized human rights. Private security service providers and/or public security forces which disregard human rights must not be contracted. The same applies in case the departments in charge have indications that mandated private security service providers and/or public security forces do not respect human rights.

The Group Entities shall actively promote the voluntary principles on security and human rights to ensure that security forces are deployed in a manner that respects human rights. To this end, the respective Group Entities have to carry out an appropriate due diligence examination, e.g., background checks for security forces to be deployed, in order to be able to exclude their possible links to human rights violations. The relevant Purchasing and HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDD. In particular, Webasto complies with the following Rules:

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- International Code of Conduct for Private Security Service Providers, 2010.

The Group Entities, i.e., the respective departments in charge, shall conduct training on human rights compliance with all recruited security personnel to be observed in the performance of their duties. Further, the Group Entities shall remedy adverse human rights impacts caused by private and/or public security forces in the context of a cooperation and work with affected persons or their representation to avoid recurrence. The relevant Purchasing and HR departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

3.11 Land, water and forest rights, forced eviction & respect of minorities and indigenous people

Webasto respects land, forest and water rights worldwide. In particular any illegal takeover/grabbing of land, forests and/or waters and any related illegal eviction and/ or forced eviction must not happen and are not tolerated.

In particular with respect to land, forest and water rights, Webasto respects the rights of minorities, local communities and indigenous peoples, specially, in case they may be affected by Webasto's business operations at the Group Entities sites/plants. Webasto always considers the local impacts of its business activities. The Group Entities shall take appropriate measures to avoid potentially harmful impacts on the health, safety and livelihoods of minorities, local communities and/or indigenous peoples. They shall neither unlawfully force the resettlement of minorities, local communities and/or indigenous peoples nor unlawfully contribute to their involuntary resettlement.

Webasto respects the principles of free, prior and informed consent of indigenous peoples in its activities as defined in ILO Convention No. 169 on Indigenous and Tribal Peoples in Independent Countries and respects the rights of indigenous peoples and their social and cultural heritage, as well as their environmental and economic interests. This includes their connection with the land, forest and/or water including its management, and with other natural resources. The relevant Operations departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA. In particular, Webasto undertakes to comply with the following Rules:

- Indigenous and Tribal Peoples Convention, 1989 (No. 169).

The Group Entities shall ensure inclusion and cultural appropriateness in all activities and communications with local communities. The relevant departments in charge shall communicate transparently and document and archive all interactions with local communities, in particular, but not limited to, minorities and indigenous people. If, as an exception, a legally allowed resettlement cannot be avoided by reasonable means, all adverse social and economic impacts shall be minimized and compensated with the aim of restoring the previous living conditions. The relevant Operations departments within Webasto are in charge of taking care of the aforesaid obligations.

Webasto has a zero-tolerance policy towards illegal land, forest and/or water grabbing within its supply chain and requests from its suppliers remedial measures for land, forest and/or water misappropriated in the past. In this regard, the relevant Purchasing departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCCDA.

4. Environmental principles

The members of the management boards of the Group Entities shall ensure that the Group Entities comply with the essential environmental principles as set out below in all their business operations and their day-to-day business. The same applies to all Employees. In addition, the below environmental principles are regularly monitored by the Webasto Sustainability Committee, considered in the Webasto Group policies and have to be passed on to the Webasto suppliers according to the provisions of the SCoC.

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4.1 Environmental protection, energy reduction & natural resource protection

Webasto respects and undertakes environmental responsibility as an integral part of producing products. Therefore, Webasto implements, maintains and strives to continuously improve the management of its business operations sites/plants regarding environmental protection, responsible environmental energy reduction, natural resources and any possible respective adverse effects.

The Group Entities having a production plant must ensure that their production processes and all materials and substances used in their production as well as prefabricated products comply with the respective applicable environmental regulations as well as with environmental standards that go beyond or supplement them. They must as well systematically identify environment-related risks for their own production and their supply chain and take appropriate measures to prevent or, if this is demonstrably not possible, minimize any environmental hazards and potentially resulting environmental damage in accordance with the precautionary principle. The relevant Operations departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCDDA.

Webasto has set ambitious climate targets to reduce its greenhouse gas (“GHG”) emissions to a minimum: Emissions of scope 1 and 2 shall be reduced by 50% till 2030 compared to the year 2021. Emissions from scope 3 upstream shall be reduced by -25 % compared to year 2021. The target of net-zero emissions shall be accomplished by 2045 for scope 1 and 2. Further, till 2030, 100 % of the electricity used within Webasto, shall be electricity which has been produced by renewable energy resources. Webasto reports its GHG emissions (scope 1, 2 and 3 upstream) based on the GHG Protocol on an annual basis in its sustainability report. The Sustainability team coordinates the creation of the annual sustainability report.

Therefore, within Webasto, all Group Entities must take a systematic approach to protecting the environment and natural resources, including, but not limited to, considering biodiversity, minimizing land use, refraining from deforestation as well as striving to protect water quality, minimize water consumption and improve water management.

All Group Entities which deliver parts to OE customers must establish an environmental management system to minimize waste of hazardous and non-hazardous material, emissions, water consumption and energy. Each Group Entity shall strive to improve its energy performance and strive to reduce its energy consumption. Wherever possible and feasible, the Group Entities shall prefer renewable energy resources, e.g., green electricity from solar, wind, hydro, tidal, geothermal and/or biomass, over other non-renewable energy sources, e.g., fossil energy sources and aim for 100% renewable energy supply. The Group Entities, i.e., the relevant departments in charge, shall regularly review these systems and ensure that opportunities and risks, ambitions and targets are kept up to date and that competent Employees operate the system. The relevant Operations (scope 1 and 2) and Purchasing departments together with Business Development, Product Management and R&D (scope 3 Upstream) departments within Webasto are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto.

Each Group Entity shall obtain, maintain, keep current and archive all environmental permits, approvals, certifications and registrations required by applicable local Rules as well as follow respective applicable reporting procedures. The relevant HSE departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto.

4.2 Green materials, conservation of resources, reuse & recycling

The Group Entities shall use resources such as energy, raw materials, and water responsibly and sparingly. In particular, they shall responsibly manage potential water withdrawal and discharge always in compliance with applicable Rules in order to protect water conservation. Webasto is especially concerned about the use of raw materials. Therefore, each Group Entity and each Employee shall support Webasto’s endeavors to reduce the environmental impact of its products including the complete supply chain. The Group Entities and the Employees shall in particular

- promote the development and use of environmentally friendly material alternatives and an efficient use of materials, e.g., secondary raw materials or materials produced with the use of alternative energy should be proposed.

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- engage in reducing their energy and water consumption and reduce their emission to environmental compartments, including reduction of greenhouse gas emissions.
- establish measures and processes to generate transparency with respect to environmental impacts, greenhouse gas emissions and material use in their business operations and in the Group Entities respective supply chain e.g., product carbon footprint, corporate carbon footprint.

Webasto is committed to support the transition to a circular economy, Webasto strives to enhance use of secondary raw materials, easy to recycle materials, reused materials, sub-assemblies and materials of natural origin, material efficiency and closed loop recycling initiatives. Therefore, Group Entities as well as the Employees are requested to support Webasto’s activities in this field by proposing potential measures and improvements. The relevant departments within Webasto, including Business Development, Product Management and R&D are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto, e.g., SCDDA.

4.3 Substances with restriction & greenhouse gas emissions (GHG)

Webasto strives to reduce the use and/or emission of substances with restriction, e.g., mercury and/or mercury compounds, hazardous waste, etc., in accordance with the Persistent Organic Pollutants Convention (as defined below) and the Minamata Convention (as defined below) (“**Restricted Substances**”) and GHG emissions in accordance with the Paris Agreement (as defined below) and to measure and monitor GHG emissions according to the GHG Protocol (as defined below). To standardize and enable comparability, the emissions of various greenhouse gases are expressed as CO₂ equivalents (“**CO₂e**”). At Webasto, all relevant greenhouse gases as defined by the Kyoto Protocol 2005 are considered. In the following, this Social & Environmental Principles Policy uses the simplified abbreviation CO₂ instead CO₂e.

Each Group Entity must regularly and/or at request report to HSE/the Sustainability Department on its CO₂ emissions at entity level and at product level, i.e., its product carbon footprint or product lifecycle assessment, and disclose the use of/the reuse raw material quote, e.g., for emission-intense material such as steel, aluminum, plastic and glass. Further, on an annual basis, the corporate carbon footprint for the Webasto Group (“**Webasto CCF**”) is created according to the GHG protocol. The Webasto CCF is published in the annual sustainability report disclosed publicly. Furthermore, other material figures such as waste and water, are reported via regular sustainability reports. The relevant HSE, Operations and Sustainability departments within Webasto are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto, e.g., SCDDA.

To assess impact of Webasto’s products on the environment Webasto’s business units have started to calculate so called product carbon footprints. In order to reduce emission for products, enhancement of secondary material quote of major material is key. The relevant Business Development, Product Management, and R&D departments within Webasto are in charge of taking care of the aforesaid obligations.

In addition, the Group Entities shall not use, produce, collect, store, dispose, export or import any harmful emissions and/or Restricted Substances, in each case in compliance with the applicable Rules and limit values. They shall switch to more climate friendly products in the medium term (e.g., use green energy in production or secondary production materials). Each Group Entity and all Employees shall support the Webasto climate targets, especially reducing the Webasto CCF. To decarbonize the main levers are renewable energy for own operations and in our supplier base. Compensating/offsetting emissions by investing in certified climate protection/removal projects does not count towards this target. Carbon in-setting projects for the Webasto net-zero target 2045 will be evaluating continuously and applied if appropriate. The relevant HSE, Operations, Purchasing and Sustainability departments within Webasto are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto. Apart from this, the Group Entities shall in particular comply with the following Rules:

- Basel Convention on March 22nd, 1989,

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- Greenhouse Gas Protocol (“**GHG Protocol**”), jointly convened in 1998 by World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI),
- UN Stockholm Convention on Persistent Organic Pollutants, 2001 (“**Persistent Organic Pollutants Convention**”),
- UN Minamata Convention on Mercury, 2013 (“**Minamata Convention**”) and
- UN Paris agreement from 2015 (“**Paris Agreement**”).

4.4 Material itemization

The Group Entities shall regularly and/or at request provide with a complete material itemization of their delivered parts/components. The relevant R&D departments within Webasto are in charge of taking care of the aforesaid obligations. In addition, the Group Entities, i.e., the relevant departments in charge, shall ensure that the applicable Rules with respect to prohibition, restriction of use or traceability of substances of concern for the protection of health and safety or the environment as well as the respective applicable reporting structures are observed and followed. The relevant R&D departments within Webasto are in charge of taking care of the aforesaid obligations.

4.5 Conflict minerals

In case Group Entities use raw materials originating from or transiting through conflict or high-risk areas and/or in case they use such raw materials in their products, such Group Entities must implement and maintain a policy on the origin of minerals used in particular form conflict zones, especially but not limited to tantalum, tin, tungsten and gold (“**3TG3**”), whereas such policy amongst transparency regulations shall comply in particular with the applicable enforced legislation on conflict minerals. The relevant Quality departments within Webasto are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto.

Additionally, the Group Entities must effectively conduct their supply chain due diligence to minimize the risks of actual and potential adverse impacts along the supply chain. The relevant Purchasing and Quality departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto, e.g., SCCDA. They must describe in an appropriate policy how they systematically identify and prioritize risks and initiate countermeasures. In particular, but not limited to, the Group Entities comply with the following Rules on conflict minerals:

- EU Regulation No. 2017/821 for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas.
- In case Group Entities use 3TG3 or uses in its products, they must identify, disclose and assess all smelters and refiners within the supply chains as to whether they have conducted an OECD-compliant due diligence process. The respective Group Entities must, as a minimum, use established procedures such as the Responsible Minerals Assurance Process (“**RMAP**”). In addition, they must ensure that, at the time of the start of production, these materials are sourced exclusively from refineries and smelters that meet the requirements (status: Conformant) of the RMAP of the Responsible Minerals Initiative (RMI). As proof, the Group Entities shall – to the extent legal and actually/factually possible – ensure that their suppliers provide with a Conflict Minerals Reporting Template (CMRT) annually by March 1st at the latest. As set out in the SCoC, if a used smelter or refinery does not meet this standard, the respective Group Entity may require the supplier to remove non-RMAP-compliant refineries and smelters from its supply chain destined for Webasto on a long-term basis.

Further, the respective Group Entities, i.e., the relevant departments in charge shall request the suppliers to provide with a certification of the Initiative for Responsible Mining Association (IRMA) with respect to the use of specific and critical raw materials such as rare earth, platinum, palladium, aluminum, nickel, copper, zinc, graphite, lithium, cobalt, chrome, mica, 3TG3, steel, glass, plastic, leather and natural rubber.

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4.6 Ecosystems, biodiversity & water protection

Each Group Entity, i.e., the relevant departments in charge, must ensure that its own business activity does not contribute to or benefit from the illegal conversion of natural ecosystems harming the biodiversity and the quality of water, soil and air. This also applies to deforestation, which is understood to mean the conversion of natural forests primarily into farmland or other land use. The Group Entities must also take appropriate due diligence measures for their supply chain. If in their value chains of their products are risks of conversion of natural forests or other natural ecosystems or risks with respect to biodiversity, the quality of water, soil and air, the respective Group Entities must take appropriate due diligence measures to support the long-term protection of these natural ecosystems, including the protection of natural and cultural values. Each Group Entity, i.e., the relevant departments in charge, must check the environmental compatibility of injections and soil impairments in order to prevent the contamination of surface/soil, water and/or groundwater. In particular, they must take appropriate organizational and technical safeguards to ensure that its product procurement and manufacturing processes do not endanger the quality of freshwater and/or seawater, water consumption is minimized, and water management is improved. The relevant Operations, HSE and Purchasing departments within Webasto are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto.

4.7 Hazardous substances and waste

When handling chemicals and other hazardous substances that are stored or processed on their premises or are generated during production, the respective Group Entities must carry out appropriate identification and labelling and ensure the provision of suitable storage areas and processing procedures as well as the instruction of the Employees. Hazards from these substances, such as air and soil pollution, water pollution and other harmful effects, must be prevented as far as technically possible. The respective Group Entities shall establish appropriate waste management systems and procedures to carefully classify, appropriately collect, store, condition and dispose of hazardous waste generated on site. They must as well ensure that no waste is illegally disposed of during the disposal route. The relevant Operations and HSE departments within Webasto are in charge of taking care of the corresponding obligations resulting from the Rules applicable to Webasto.

5. Communication & Training

It is very important to Webasto that all Employees understand and comply with this Social & Environmental Principles Policy and have an awareness of the aforesaid social and environmental principles and observe the required measures, processes, and reports. For this reason, the respective management of the Group Entities and each Employee, in particular the relevant departments concerned, e.g., HR, HSE, Purchasing, Operations, Legal & Compliance, Sustainability, are required to participate in corresponding e-learnings and/or classroom trainings on a regular basis. The relevant HR, HSE, Operations, Sustainability, Purchasing and Legal & Compliance departments of the Group Entities are in charge of implementing corresponding and appropriate measures, processes and trainings to ensure the compliance with the Rules and as set out in this Social & Environmental Principles Policy. The relevant Sustainability departments within Webasto are in charge of taking care of the aforesaid obligations, in particular resulting from the Rules applicable to Webasto.

6. Consultation, reporting of misconduct & contact persons

Employees must be conscious of the fact that breaches of the Rules and/or principles as set out herein lead to considerable damage to the reputation of Webasto Group, the Employees, and the business partners. The interests and rights of everyone at Webasto Group can only be protected and preserved from harm if suspected or actual breaches of the Rules and the principles as set out herein are quickly and swiftly addressed.

Employees that detect and actual or potential infringement of the Rules and/or the and the principles as set out herein or that are uncertain what the proper conduct is in their day-to-day business or a particular situation, should speak to their direct supervisor or a Compliance Officer, HR, HSE and/or Sustainability department for advice and assistance.

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In case Employees do not wish to discuss a specific compliance item/issue hereunder or intend to disclose any violations of the Rules and/or the principles set out in this Social & Environmental Principles Policy, they should report the relevant incident by giving Notice. This can be done by contacting the relevant departments in charge as set out herein and/or the CCO Region or CCO Group (compliance@webasto.com) or the Sustainability department via sustainability@webasto.com. In addition, Employees have the option to anonymously report a compliance incident by using the Webasto whistleblower system which can be found at <http://onenet.global.web-int.net> under the tile “**Compliance, Whistleblower System, Data Protection**”. All incident reports are consistently followed up and proven misconduct is delt with swiftly and appropriately.

7. Consequences of violations

Employees must comply with this Social & Environmental Principles Policy. In the event of violations of this Social & Environmental Principles Policy, which also includes involvement in the concealment of violations, Employees should expect consequences under the relevant labor laws (e.g., disciplinary actions and, in the case of serious violations, termination without notice), possible criminal and/or civil penalties, and any other appropriate remedies available by law.

Webasto Group reserves the right to make a criminal complaint to relevant authorities and or bring civil actions against the responsible Employees.

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