

Declaration of Principles of the Memodo GmbH

Compliance is an essential part of our corporate culture. We are guided by a clear set of rules that we apply reliably on a large and small scale. Observing and complying with them is a prerequisite and our goal for successful development – both internally and externally. The Code of Conduct provides guidance and a framework for our actions. We respect its rules and values. In any constellation. On any subject. At any time.

The Memodo GmbH is committed to ecologically and socially responsible corporate management. We also expect our employees to respect the principles of ecological, social and ethical behaviour and to integrate them into our corporate culture. Furthermore, we strive to continually improve our business activities and our products and services in terms of sustainability.

The Memodo GmbH is explicitly committed to respecting human and environmental rights and to complying with the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). The LkSG provides a legal framework to identify and prevent human and environmental rights violations throughout our supply chain. Our commitment to respect human and environmental rights is derived from the most important international agreements. These include the Universal Declaration of Human Rights, the International Labour Organization (ILO) Conventions on Forced Labour and Child Labour, the principles of the UN Global Compact and international conventions and standards on environmental protection.

The Memodo GmbH takes the following specific measures to fulfil its corporate due diligence obligations:

- 1. Establishment of a human rights committee:** The Memodo GmbH has set up a human rights committee that involves the Legal, Strategic Purchasing and Sustainability departments. This committee works closely with the management to develop and implement preventive and remedial measures in the event of human rights violations.
- 2. Implementation of a risk management system:** The Memodo GmbH has implemented a comprehensive risk management system to monitor human rights compliance throughout its supply chain and to conduct annual risk analyses. When prioritising and considering risks in its own business area, the Memodo GmbH considered the risk factors of discrimination, freedom of association, occupational health and safety at work, fair working hours and gender equality to be of particular importance. In prioritising these risks, the Memodo GmbH takes into account the fact that, as part of a wholesale alliance for bathroom supplies, heating, air conditioning, electrical, roofing, civil

engineering and industrial technologies, it employs people in various areas, such as purchasing/service and logistics, finance and controlling, sales, marketing and product data management, administrative activities (HR and legal department) as well as IT and data security. When prioritising and considering risks associated with direct suppliers, the Memodo GmbH carries out a comprehensive review that considers abstract risk factors such as country and industry risks as well as a number of other key factors. These include the acceptance of a Supplier Code of Conduct and a so-called Business Impact Score. The latter helps us to determine the Memodo GmbH's degree of influence on a supplier and vice versa.

- 3. Preventive and remedial measures:** Based on the risk analysis, we implement both preventive measures and remedial measures. These include training and educational materials for our employees, a comprehensive compliance booklet for use by all stakeholders, the implementation of a sustainable procurement strategy, and the immediate implementation of measures to correct legal violations as soon as they are discovered. These measures are an integral part of our efforts to protect and promote human and environmental rights.
- 4. Grievance mechanism:** The Memodo GmbH has established a publicly accessible grievance mechanism on its website that allows employees and other stakeholders to report human and environmental rights violations that occur within our own business or at our suppliers.
- 5. Documentation and reporting:** The work of the human rights committee and the results of the risk analysis are documented and reported annually to both the management and the Federal Office for Economic Affairs and Export Control (BAFA).
- 6. Supplier Code of Conduct:** The Memodo GmbH has published a Supplier Code of Conduct, which is to be accepted by each of our suppliers and serves as the basis for our business relationship. This code sets out clear requirements regarding human and environmental rights.

The Memodo GmbH is committed to continuously improving these measures and ensuring that its supply chain is free from human and environmental rights violations. The Memodo GmbH is determined to contribute to the respect and implementation of human and environmental rights and to promote more sustainable business practices. This Declaration of Principles and our compliance guidelines are continually developed and updated to reflect both regulatory developments and our own efforts to continuous improvement.