



# Supply Chain Due Diligence Act

Act correctly

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## Information letter

Dear valued businesspartner,

The Supply Chain Act (LkSG) was passed in June 2021 and from January 2023 obliges German companies with more than 3,000 employees and at least one location in Germany to ensure the protection of human rights in global supply chains and to fulfill their due diligence obligations towards their suppliers and business partners. In the second step, German companies with more than 1000 employees will be obliged to comply with the LkSG from January 2024.

As the PROTEGO® Group with around 700 employees worldwide, we are not yet subject to this extensive catalog of obligations. However, we see it as our social obligation to secure our global supply chain by recognizing risks early so that we can derive measures. In recent years, the pandemic has made it clear to us how important reliable and socially responsible supply chains are and how much they contribute to the success of our company and our customers. We also want to give our customers the best possible support.

Our environmental, social and governance (ESG) expectations are defined in our corporate code of conduct and in our code of conduct for suppliers, which forms the basis for our actions in supply chain management. This addresses issues such as child labor, human rights, fair wages, anti-discrimination, HSE, based on the UN Global Compact and the ILO

conventions, and decides on inclusion in the new supplier approval process. We ask our suppliers to adhere to the standards of our code of conduct for suppliers, also at their subcontractors and subcontractors.

Our risk management is diverse and is based, among other things, on regular on-site visits to suppliers, audits (topic areas Quality Mngt. System & Control, HSE) and CSR audits at our production sites and suppliers worldwide.

We give everyone involved the opportunity to report irregularities or violations. For this purpose, we have implemented an independent, anonymous complaints procedure in the PROTEGO® organization.

If we identify potential violations of our ESG standards, we will immediately take appropriate measures to analyze violations and avoid them in the future.

If you have any further questions about our risk management along our supply chain, please contact us.



Dr. Michael Davies – CEO



Dr. Philip Bosse – CTO