



**Policy statement on the Supply Chain Due Diligence Act
for
Schüller Möbelwerk KG**

Preamble

As a company with international ties, *Schüller Möbelwerk KG* (hereinafter referred to as "**Schüller**") considers itself to have a special responsibility to work towards improving the global human rights situation along its supply chains and to organise its business relationships in a socially and environmentally conscious manner.

The increasing integration of Schüller in global procurement and sales markets offers both opportunities and challenges: new markets and production sites are being opened, creating jobs and prosperity. At the same time, there are risks due to a lack of transparency and the possible lack of enforcement of internationally recognised human rights and environmental standards in the supply chains.

Schüller is committed to respecting, protecting and complying with the human rights of each individual and the generally recognised environmental standards in accordance with the Supply Chain Due Diligence Act (hereinafter referred to as "LkSG").

We recognise our responsibility as a company and want to ensure that our suppliers also comply with human rights and environmental due diligence obligations to an appropriate extent.

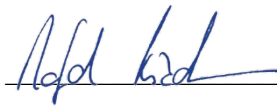
The management of the
Schüller Möbelwerk KG



Markus Schüller



Max Heller



Manfred Niederauer

1. The company

Based in Herrieden in southern Germany, Schüller Möbelwerk KG was founded in 1966 and has developed over the last decades into a specialist for customised kitchens and furniture "Made in Germany". The company portfolio comprises two product brands, the established quality brand Schüller and the elegant premium brand next125. Around 170,000 kitchens are manufactured at the company site every year, which are sold in Germany and on international markets.

With a turnover of €758.8 million, Schüller is one of the top players in the industry. "Typical Schüller" is not only the extraordinary vertical range of manufacture, but also a partnership-based cooperation with the trade as well as deeply rooted corporate responsibility. Since 2003, Markus Schüller, Max Heller and Manfred Niederauer have been running the family business in the second generation under the guiding principle: "Home is our inspiration, shared values our motivation".

2. Procedures and risk management

In order to fulfil our responsibility and due diligence obligations under the LkSG, we have set up a risk management system in accordance with the concept of the German Furniture Industry Association and the German Furniture Quality Association in order to be able to identify and assess risks and violations of applicable human rights and environmental standards under the LkSG in our own business area and in the area of our suppliers on an annual and *ad hoc* basis.

We first analyse suppliers as part of a general-abstract risk mapping process regarding country risk and product group risk. In a second step, we analyse the resulting risk suppliers in more detail on an individual, specific basis pertaining the potential human rights and environmental risks identified as part of the risk mapping. We then prioritise the risks and violations actually identified.

The internal risk analysis is based on opinions and interviews with our specialist departments responsible for the individual areas, specifically from the areas of HR-Management, Occupational Safety and Environment.

Based on the risk analysis, we take appropriate measures to eliminate, prevent and minimise human rights or environmental risks in our own business area, at our direct suppliers and, if we have substantiated knowledge, also at our indirect suppliers.

If violations of basic human rights or environmental values are identified as part of risk management, Schüller will immediately take individual measures to end or minimise the violations together with the direct supplier or, if necessary, also with the indirect supplier.

The effectiveness of the appropriate measures is reviewed annually and on an *ad hoc* basis and, if necessary, adjusted if there are doubts or concerns regarding their effectiveness.

3. Priority risks identified

In our own business area, we were able to identify isolated violations in the area of occupational safety against LkSG protective goods and obligations, which we addressed immediately and initiated appropriate remedial measures.

As part of our analysis of direct suppliers, we identified human rights risks at suppliers with regard to occupational health and safety, freedom of association and the control and instruction of private security personnel. We were unable to identify any violations of the LkSG protection rights by direct suppliers.

At the time of publication of this policy statement, we have no indications of risks or violations at indirect suppliers with regard to human rights or environmental obligations under the LkSG. Should we become aware of any such violations, we will take these findings and suppliers into account as part of our risk management and initiate appropriate measures to prevent or remedy them.

4. Human rights and environmental expectations

We advocate a wide range of human rights and environmental expectations that both we and our suppliers are expected to fulfil. In accordance with our mission statement: "Home is our inspiration, shared values our motivation", all employees are required to comply with and implement the duties of care to which Schüller is committed.

To the same extent, we expect our business partners to also commit to respecting human rights, to establishing appropriate due diligence processes that minimise human rights and environmental risks, and to preventing, ending or minimising the extent of violations of human rights or environmental obligations, and to passing this expectation on to their own suppliers.

These include in particular

- the payment of wages appropriate to the activity and in accordance with local statutory provisions
- the existence of working conditions that comply with local statutory provisions on occupational health and safety and working hours
- the prevention of all forms of exploitation, forced labour, slave labour, child labour, human trafficking, torture, unlawful seizure of land
- acting in accordance with the principles of equality, regardless of gender, origin, language, homeland and origin, religion, political views or disability
- respect for the freedom of association
- the prevention of unlawful evictions or other unlawful deprivation of land, forest or water
- Preventing the use of security forces if they are not controlled or instructed in such a way that human rights are respected
- Protection of the environment from harmful soil, water and air pollution, harmful noise emissions and excessive water consumption, e.g. through waste disposal in accordance with local regulations and efficient use of energy and other resources
- compliance with the ban on the manufacture of mercury-added products, the ban on the use of mercury in manufacturing and the ban on the treatment of mercury waste
- compliance with the ban on the production and use of chemicals in accordance with Article 3(1)(a) and Annex A of the Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants (POPs) and the non-environmentally sound disposal of corresponding waste
- compliance with the ban on the export and import of hazardous waste

and all other aspects that promote the sustainable, social and environmentally conscious development of society.

5. Risk prevention

To take the results of the risk analyses appropriately into account, we have implemented suitable procurement strategies and purchasing practices, such as detailed supplier evaluations, for example in the form of relevant self-assessments, prior to initial procurement. The knowledge gained in this way is incorporated into the selection process.

In addition, contractual assurances from direct suppliers ensure that human and environmental expectations are met and further addressed and may also be reviewed if necessary.

Within Schüller, training courses for current and future managers ensure appropriate sensitisation regarding the implementation of the basic values listed above in day-to-day business and the conscious perception of violations of these values.

6. Complaints procedure

As a further component of our human rights and environmental responsibility, we have established an independent complaints procedure that can be used by employees, suppliers and all other persons and organisations. We have commissioned an external lawyer for this purpose, who is available as an external reporting centre (anonymously if desired). The complaints procedure and the associated process description can be accessed via the following link:

<https://www.schueller.de/de/lieferkettengesetz>

7. Reporting and documentation

In fulfilment of our due diligence obligations, we continuously document our processes and measures in accordance with the LkSG. Every year, we will prepare a report on the fulfilment of our due diligence obligations under the Supply Chain Due Diligence Act from the previous financial year and make it publicly available free of charge on our website for a period of at least seven years.

We will prepare the report for the first time for the 2024 financial year by April of the following year at the latest and make it available free of charge on our website.