

Pioneering
green solutions

verbio

Statement on Respect for Human Rights

Preamble

Verbio is one of the leading, independent bioenergy producers in Europe. In our biorefineries, we process raw materials and residues from regional agriculture into climate-friendly fuels and high-quality biocomponents for feed, food, pharmaceutical and chemical industries on the basis of innovative in-house developed technologies. In doing so, we are aware of our corporate responsibility to respect human rights.

We face up to this responsibility by acting ethically and legally impeccably. We are committed to this as part of our **Code of Conduct** (current version: June 2024). Together with the **Supplier Code of Conduct** (current version: December 2023), our Code of Conduct is supplemented by this Statement on Respect for Human Rights and, together with them, forms the Verbio Corporate Commitment. Every single component of these Corporate Commitment Policies is subject to regular and ad hoc review to ensure that it is correct and up-to-date.

Management Board Verbio SE, June 2024



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Content

Preamble.....	2
Our Commitment to Respect Human Rights.....	3
Acting Responsibly in All Areas.....	3
Relevant Human Rights Issues and Potentially Affected Groups.....	4
Commitment to Implementation of Human Rights Due Diligence.....	5
Risk Analysis.....	5
Measures.....	6
Effectiveness Control.....	6
Complaints Mechanisms.....	7
Responsibilities.....	7
Training.....	8
Reporting.....	8

Our Commitment to Respect Human Rights

The Verbio Corporate Commitment includes a commitment to respect human rights:

Verbio SE is committed to responsible corporate governance in accordance with internationally recognized standards.

These include the Charter of Human Rights, in particular the United Nations (UN) Universal Declaration of Human Rights, the ten principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the European Convention for the Protection of Human Rights and Fundamental Freedoms, the International Labour Organization's (ILO) Tripartite Declaration of Principles on Multinational Enterprises and Social Policy, and the ILO Declaration on Fundamental Rights and Principles at Work.

Acting Responsibly in All Areas

We are committed to respecting human rights in our own business operations and in our global supply and value chains, and to providing remedies to those affected by human rights violations.

This statement therefore applies to Verbio SE and to all its domestic and foreign subsidiaries and group companies worldwide ("Verbio").

Verbio calls on all its employees to always behave in accordance with this commitment.

We expect our suppliers to also commit to respect human rights, commit to establishing appropriate due diligence processes and pass this expectation on to their own suppliers. In this way, the Supplier Code of Conduct plays a decisive role in the implementation of respect for human rights: In order to respect human rights along our supply chains, it is necessary that our suppliers also act responsibly and take responsibility for people and the environment. The Supplier Code of Conduct is therefore the basis of all material contractual relationships.

We are committed to engaging in dialogue with people who are potentially affected by adverse human rights impacts of our business activities and along our upstream and downstream value chain. The purpose of these dialogue formats is to identify human rights risks and to assess the effectiveness of our measures to prevent, mitigate and remedy adverse human rights impacts.

Relevant Human Rights Issues and Potentially Affected Groups

We are committed to respecting all internationally recognized human rights and recognize that our business activities and our global supply and value chains have the potential to cause adverse human rights impacts.

In order to better understand which topics may have the greatest risks of adverse impacts on people that are directly or indirectly related to our business activities, we are constantly working to identify those human rights issues that are material to our company. These could include, but are not limited to, the following risks:

- Forced and Child Labour
- Restrictions on freedom of assembly and association (including the systematic suppression, suppression and sabotage of workers' representatives)
- Discrimination in any form (e.g. on the basis of gender, age, ethnic and social origin, nationality, religion or belief, physical or mental disability, sexual orientation)
- Threat to data protection and privacy
- Risks to health and safety at work
- precarious employment and working conditions (e.g. in the case of unregulated temporary agency work or the abuse of short-term contracts)
- Corruption and bribery
- Threats to consumer protection and lack of product stewardship
- Restricting the rights of local communities and indigenous peoples
- Damage to health, shelter or subsistence assets, such as water, soil or air pollution or deforestation
- Restriction of land rights
- Restricting access to education

In our efforts to respect human rights, we also recognize the need to identify those groups of individuals whose human rights are potentially at risk from our business activities. These could be the following:

- In-house employees at national and international locations, including trainees
- Employees of business partners
- Groups of people in our direct and indirect supply chain: employees in the production and processing of raw materials as well as the production of intermediate products, smallholders, employees of service providers and direct suppliers
- Groups of people in our downstream value chain: employees of (end) customers, people in the environment of products and services (e.g. sponsoring)
- Groups of people regardless of their location in the value chain: persons in informal or precarious employment, trade union representatives and trade unionists on the ground (directly or with suppliers, service providers as well as business partners, joint venture workers)
- Groups of people with an indirect link to the value chain: members of local communities as well as residents in the vicinity of sites, family members, employees in public authorities

We also recognise that within these groups of people there may be individuals who are at higher risk of adverse human rights impacts and therefore need to have a separate role within our due diligence processes. These are people who have special needs, who are socially excluded or who find it difficult to make their concerns heard. These could be the following:

- Women
- Children
- Local communities (especially indigenous peoples)
- Elderly
- People living in poverty/destitute people
- People with disease findings

- People with disabilities
- Groups in weak/unregulated environments
- ethnic/religious minorities
- People from the LGBTQIA+ community
- Representatives of the interests of certain groups (esp. human rights activists, trade union representatives)
- Whistleblowers
- precarious or informal workers
- Migrant workers

Commitment to Implementation of Human Rights Due Diligence

Respect for human rights and the implementation of human rights due diligence obligations in our operational processes is an important contribution to improving the human rights situation along the global supply and value chains.

We accept this challenge and are committed to actively integrating human rights due diligence processes into our business processes and continuously developing them further.

Respect for human rights must be understood as a continuous process. The implementation of human rights due diligence obligations depending on the changing contextual conditions, type of business activity and size and structure of the company must be constantly reviewed and continuously developed. In order to ensure respect for human rights, we have therefore set ourselves the goal of anchoring human rights due diligence processes as an integral part of our organization and in our relationships with our business partners and continuously developing them further. The involvement of suppliers in the active due diligence process via audits and also the mapping of human rights-related risks within the risk management system are components of this due diligence process landscape.

Risk Analysis

We consider it part of our duty of care to be aware of potentially and actually adverse human rights risks and the impact of our business activities on people along the entire value chain.

For this reason, we are continuously working to identify and evaluate the relevant human rights issues and those potentially affected by our business activities. To this end, our company-wide risk and supplier management is systematically supplemented by human rights issues. Human rights criticism from third parties and reported incidents are also taken into account.

The analysis of human rights risks and impacts is to be updated on an ongoing basis and on an ad hoc basis in the event of significant changes in the company's profile or business activities. Insofar as corresponding information is provided via the various reporting channels (e.g. whistleblower system) or sufficient knowledge arises from within the Verbio Group, this is the reason for the immediately subsequent review.

The risk analysis is carried out in a three-step process, consisting of identifying, evaluating and prioritizing the risks. Risk identification is carried out in close cooperation with the respective departments and as a result of the knowledge gained within the framework of the whistleblowing system. This is followed by an assessment based on the probability of occurrence and the potential damage range of each risk in order to be able to make a final weighting of the risks.

The results of such an analysis of human rights risks and impacts are incorporated into corporate decision-making processes with regard to supplier selection, business partner management, product stewardship and development, as well as mergers and acquisitions. The risk analysis also forms the basis for the identification of appropriate measures. In addition, we will use the results as a basis for the creation and, where necessary, adaptation of internal regulations, processes and training to take into account the changing requirements for our due diligence processes.

Measures

In order to live up to our responsibility to respect human rights, we must rely on the interplay of different measures. The aim is to protect the (potentially) affected persons and to prevent or at least minimise adverse human rights effects on them. In addition to the whistleblower system, Verbio maintains e.g. also an Internal Complaints Committee for the India location in order to comprehensively meet the requirements given locally. If reports and/or knowledge are made that make a possible violation visible, a reappraisal is carried out, which then specifies concrete corrective measures.

Such risks can be prevented or minimized by developing and implementing appropriate procurement strategies and purchasing practices. Employees of suppliers or local communities can also be actively or passively involved in processes, or a regular exchange with other companies can take place as part of industry initiatives.

In the event that we, as a company, have directly caused the violation of human rights, we quickly work to prevent the causative business activities or to make them compliant with human rights and work towards reparations. In the event of conduct by our employees that is incompatible with human rights, appropriate sanctions will be initiated. In the event that our business activities contribute to or are indirectly associated with potential or actual human rights violations, we will endeavor to contribute to the elimination and timely redress by the responsible authorities. If we have a well-founded suspicion or concrete indication of possible human rights violations in our company or along our upstream and downstream value chain, we investigate them carefully and consistently. The **Procedure for Whistleblowing System** provide a comprehensive overview of responsibility, the handling of reports and the measures derived from them.

Outside of our company, we contractually oblige at least all of our direct suppliers to comply with the laws applicable in their respective countries as

well as the core labour standards of the ILO, to respect human rights and to adequately address human rights-related risks to their own business partners.

We oblige our suppliers to support us in clarifying the facts of the case and to cooperate fully within a reasonable timeframe. Depending on the severity of the breach, we reserve the right to respond appropriately in connection with our business partners, from requesting the immediate remedy of the breach to taking legal action and terminating the business relationship. Regardless of this, we are working to make amends for the injury.

Effectiveness Control

In order to check how effective such measures are, these measures are reviewed at least annually and on a case-by-case basis.

Within our company, we review all reports of potential human rights violations and follow up on corrective measures formulated for them. In order to assess which measure is appropriate in response to a breach of the rules, the following criteria are regularly taken into account: the nature and severity of the violation, the culpability of the person concerned (intent, negligence), the amount, reversibility and probability of occurrence of the damage or injury, the attitude of the person concerned to the crime, cooperation in the clarification of the facts and/or reparation of the damage and/or a possible voluntary disclosure by the person concerned. affected persons or Verbio's ability to exert influence on the business partner. Specific personnel measures in the event of violations of the rules against employees are governed by local law, but depending on the severity of the violation of the rules, they may also include measures under employment law (e.g. admonition, warning, ordinary or extraordinary dismissal) and/or claims for damages. In the event of criminal offences, Verbio reserves the right to file criminal charges. Measures taken against business partners are also governed by local law and the corresponding contractual agreements. In addition, we check the effectiveness of training and further education measures with the help of final tests and comprehension questions during or after the training. In addition, we also

carry out risk-based audits of our direct suppliers, e.g. in the form of document reviews and on-site inspections.

The semi-annual risk inventory is also an important part of effectiveness monitoring. In addition to the identification of the risks, countermeasures that have already been implemented or are planned to mitigate the underlying risk should also be described.

Complaints Mechanisms

We reject any form of human rights violations.

Appropriate and effective complaint management is therefore an important part of our due diligence processes in order to effectively prevent and effectively remedy possible adverse human rights impacts caused by our company and our business activities. We have set up a complaints procedure that is accessible inside and outside the company. We operate a whistleblowing system that provides a confidential communication channel for internal and external stakeholders as well as all potentially affected parties worldwide to report possible violations of human rights and international agreements. Access to the **whistleblowing system** is communicated in different languages in order to do justice to differences in the target groups. Reports can also be made anonymously. We actively inform the target groups to be reached about the available grievance mechanisms by means of measures adapted to the target group as well as the local context.

With the whistleblower system in the form of telephone hotlines and a web-based reporting channel, it is possible for anyone to report directly to the compliance department of the Verbio Group around the clock. All reported reports and reasonable suspicions about possible human rights violations are processed within the framework of a process that is transparent, balanced and predictable for all parties involved (**Procedure for Whistleblowing System**). Upon receipt of the report, Global Compliance conducts a risk-based initial assessment of the potential rule violation. A preliminary legal review is carried out and, if necessary, information is forwarded to the relevant department (e.g.

HR or management) for further investigation. If the suspicion is confirmed during this examination, appropriate measures will be taken. If the whistleblower so wishes, the Verbio Group's whistleblowing system guarantees confidentiality and anonymity. To the extent that it is within our sphere of influence, we ensure that whistleblowers are protected from discrimination and punishment in connection with the complaints they submit. Our systematic handling of complaints and the knowledge gained from them enables us to continuously improve our human rights due diligence processes.

Responsibilities

At the highest management level, the Management Board of Verbio SE is responsible for respecting human rights in our business activities as well as in the upstream and downstream value chain. The Executive Board has appointed the Head of Global Compliance as Human Rights Officer to monitor and manage the implementation of its due diligence obligations. Regular and event-related internal reporting to the Executive Board on human rights-relevant results, information from the complaints procedure and information on the effectiveness of remedial and preventive measures ensures that informed decisions can always be made.

The company-specific divisions and departments are responsible for the operational implementation of human rights due diligence processes; The Compliance department is responsible for the organizational processing, starting with the risk assessment and ending with the specific case processing on the basis of a report.

Training

We consider it an important part of our due diligence obligations to sensitize our employees to respect human rights and to provide them with the necessary expertise for the effective implementation of human rights due diligence processes. That is why we are committed to conducting regular training courses for this purpose. Through the content of the **Code of Conduct** and this Statement on Respect for Human Rights, employees are taught the relevant basics about human rights in our own business activities as well as in our global supply and value chains during the onboarding process.

Reporting

In our annual sustainability reporting in accordance with the German Commercial Code (HGB), we inform the public about our human rights commitments as well as due diligence processes and their effectiveness.

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