



PAULANER
BRAUEREI GRUPPE

POLICY STATEMENT

**ON EXERCISING ENVIRONMENTAL AND
HUMAN RIGHTS DUE DILIGENCE**

OUR COMMITMENT TO RESPECTING HUMAN RIGHTS AND ENVIRONMENTAL STANDARDS

The Paulaner Brewery Group is committed to acting in a manner that is fair and socially and environmentally responsible in its own business area and along its supply chains. We respect the dignity of all human beings and observe internationally recognised human rights. When pursuing our business activities, we always take care not to cause or contribute to any human rights violations.

In doing so, we not only comply with legal requirements, such as the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, or LkSG), but also adhere to our own set of values. As a brewing company with all its production sites in Germany, we have already established high environmental and human rights standards in our own business area.

The raw materials needed to make beer – such as water, malt and hops – are sourced almost entirely from suppliers in Germany and the EU, with whom we generally maintain long-term supply relationships. We mostly procure basic materials and other ingredients and food additives for the production of soft and mixed beer drinks from a small number of world-leading companies based in Germany. Packaging materials such as glass, cardboard, stainless-steel kegs, crates, crown caps and cans are also sourced almost exclusively from suppliers in Germany and the EU.

This policy statement applies to all companies and business units within the Paulaner Brewery Group as well as their employees (with the exception of Kulmbacher Brauerei Aktien-Gesellschaft). It requires all employees to observe the principles of this policy and integrate them into their daily business processes. We also expect our business partners and suppliers to commit to respecting human rights and observing environmental standards – regardless of whether they are manufacturers, service providers, retailers, wholesalers or importers for the Paulaner Brewery Group.

INTERNATIONAL STANDARDS AND GUIDELINES

We are committed to the principles laid down in the following internationally recognised standards and guidelines:

- The Charter of Fundamental Rights of the European Union
- The European Convention for the Protection of Human Rights and Fundamental Freedoms
- The United Nations (UN) Universal Declaration of Human Rights
- The Guiding Principles on Business and Human Rights (UNGPs)
- The conventions and recommendations of the International Labour Organization (ILO) on employment and social standards
- The UN Convention on the Rights of the Child
- The UN Convention on the Elimination of All Forms of Discrimination Against Women
- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- The International Covenant on Civil and Political Rights, adopted on 19 December 1966
- The International Covenant on Economic, Social and Cultural Rights, adopted on 19 December 1966
- The Minamata Convention on Mercury, adopted on 10 October 2013
- The Basel Convention on the control of transboundary movements of hazardous wastes and their disposal, adopted on 22 March 1989 (Basel Convention)
- The Stockholm Convention on Persistent Organic Pollutant (POP Convention)
- The REACH Regulation

OUR CORPORATE GUIDELINES

The policy statement forms the basis and benchmark for all guidelines and regulations that ensure responsible and ethical conduct within the company. It establishes no contractual rights or obligations whatsoever.

In addition to this policy statement, the following guidelines are of central importance:

- With our *Paulaner Brewery Group Code of Conduct*, we require all employees to act lawfully when dealing with colleagues, business partners and suppliers and to uphold environmental and human rights standards.
- In our *Code of Conduct for Business Partners*, we set out what we expect from our business partners and suppliers, equally requiring them to commit to respecting environmental and human rights standards, based on the international conventions and national laws.
- We are a member of the generally recognised Compliance Initiative launched by the German Association for Supply Chain Management, Procurement and Logistics (BME) and undertake to comply with the [BME Code of Conduct](#) in our business relationships.

ENVIRONMENTAL AND HUMAN RIGHTS-RELATED SPHERES OF ACTIVITY

We consider the following environmental and human rights to be relevant to our corporate activities in our own business area as well as in our global supply chains:

BAN ON CHILD LABOUR

The Paulaner Brewery Group does not tolerate child labour and observes the applicable legal minimum age for employment. Children under the age of 15 are not allowed to pursue gainful employment.

In the case of young persons between 15 and 18 years of age, the rights of under-age workers must be respected. They may only be employed under working and employment conditions that pose no danger to their health, safety or morals and do not compromise their development.

BAN ON FORCED LABOUR AND MODERN SLAVERY

The Paulaner Brewery Group opposes all forms of forced or compulsory labour. We do not tolerate any form of debt bondage, servitude, modern slavery or slave-like practices, human trafficking or any other kind of involuntary labour or service. Any form of work or service must be performed on a voluntary basis and not under the threat of punishment.

THE RIGHT TO FAIR WORKING CONDITIONS

Employment conditions

The Paulaner Brewery Group treats its employees with respect. We oppose all forms of unjust punishment, abuse, harassment, intimidation or any other dishonourable treatment of employees. The applicable labour laws are observed for all employment relationships.

Salary

The Paulaner Brewery Group adheres to the statutory or applicable provisions of collective agreements when remunerating the performance of its employees. Furthermore, we honour the principle of equal pay for work of equal value between male and female workers.

Working hours

The Paulaner Brewery Group observes the statutory or applicable collective bargaining provisions on working hours, including overtime, rest breaks and annual leave.

THE RIGHT TO HEALTH AND SAFETY IN THE WORKPLACE

The health, safety and well-being of our employees is of the utmost importance to us. It goes without saying that we comply with national and international occupational health and safety standards. Our priority is to maintain the health and safety of employees, protect third parties and prevent accidents, injuries and work-related illnesses.

By conducting regular risk assessments in the workplace, taking appropriate measures for hazard prevention, including the provision of suitable personal protective equipment, the Paulaner Brewery Group creates a safe and healthy working environment. In addition, we make sure that employees receive training on all relevant occupational health and safety matters.

FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

The Paulaner Brewery Group respects the right of employees to freedom of association and assembly, as well as the right to collective bargaining. Membership of trade unions or staff associations must not disadvantage employees in any way. We maintain trusting and constructive working relationships with staff associations and value their contribution to ensuring the well-being of our employees.

NON-DISCRIMINATION AND PROMOTION OF DIVERSITY AND EQUALITY

The Paulaner Brewery Group fosters a working environment that embraces inclusion and values the diversity of its employees. We are committed to equal opportunities and oppose all forms of discrimination based on nationality, ethnic origin, social background, health condition, disability, sexual orientation, age, gender, political opinion, religion, ideology or any other characteristic protected by law.

ENVIRONMENTAL RESPONSIBILITY

We are aware that our business activities have an impact on the environment and the climate. Our production sites are certified in accordance with EMAS III, the highest level of environmental management within the EU. In the individual environmental statements for each site, we have defined the environmental principles that guide us. In doing so, it not only goes without saying that we comply with the relevant legal provisions and recognised standards for protecting the environment and the climate – we are also continuously working to reduce our impact on the environment and climate.

ETHICAL BUSINESS PRACTICES AND INTEGRITY

The Paulaner Brewery Group pursues solely legitimate business objectives and practices and only maintains business relationships with reputable partners. We behave fairly and respectfully towards our business partners and customers and always gear our business activities towards generally accepted ethical values and principles, in particular integrity and respect for human dignity.

We are committed to free and fair global trade and abide by the laws and regulations of the countries and regions in which we operate. We act in accordance with the relevant import and export control provisions.

The Paulaner Brewery Group opposes all forms of bribery and corruption and avoids even the semblance of such activities. We are committed to free and fair competition. We do not tolerate anticompetitive agreements and make sure that we act in accordance with the relevant competition laws.

EXERCISING DUE DILIGENCE

The task of observing environmental and human rights due diligence within the company is a constantly evolving process. We subject our business relationships to a regular environmental and human rights risk analysis in order to identify and prioritise potential risks in our own business area, at direct suppliers and, in the case of substantiated knowledge, at indirect suppliers. We can then take the appropriate preventive and corrective action.

PREVENTIVE ACTION

If environmental or human rights risks are identified, appropriate preventive action is taken immediately. The effectiveness of the preventive action is reviewed once a year and on an ad hoc basis – when new products or projects are launched, for example, or a new business area is established.

To date, we have taken basic preventive measures, including creating and communicating the General Code of Conduct and the Code of Conduct for Business Partners and making reference to them in our General Terms and Conditions, participating in the BME Compliance Initiative and giving employees training on the contents and requirements of the Act on Corporate Due Diligence Obligations in Supply Chains

CORRECTIVE ACTION

Wird ein Verstoß gegen eine menschen- oder umweltrechtliche Verpflichtung festgestellt oder wird von einem solchen Verstoß substantiiert Kenntnis erlangt, werden unverzüglich für den jeweiligen Einzelfall geeignete Abhilfemaßnahmen ergriffen. Die Menschenrechtsbeauftragte steht dabei im ständigen Austausch mit der Geschäftsführung. Zudem kann ein fachbereichsübergreifend besetztes Krisenmanagementteam einberufen werden.

GRIEVANCE PROCEDURE

The Paulaner Brewery Group is aware that violations of environmental and human rights standards may occur despite all efforts to exercise due diligence. Accordingly, we have established a Group-wide grievance procedure that enables potentially affected parties to draw attention to possible abuses or violations within our business areas or along our supply chains in a straightforward manner. The Tell Us! grievance channel is open to everyone, irrespective of whether any business relationship exists with the Paulaner Brewery Group.

TELLUS 

Whistle-blowers may be affected themselves or they may also speak on behalf of other people or organisations. All information is treated confidentially and can also be submitted anonymously. We take all reports seriously and review them carefully. Personal information will only be passed on to third parties with the consent of the person concerned. Protection for whistle-blowers from reprisals is important to us and is assured.

Further information on the Paulaner Brewery Group's whistle-blowing system, which can also be used to report other forms of misconduct or legal violations, can be viewed on our website.

FILING REPORTS AND IMPROVING PROCESSES

The processes relating to environmental and human rights due diligence are continuously reviewed and improved. We pay particular attention to reviewing the effectiveness of the preventive and corrective action as well as the grievance procedure.

The management is kept regularly informed about the measures taken and how they are being improved. External reporting is carried out in accordance with the report filed to the Federal Office for Economic Affairs and Export Control (BAFA) as required by the Act on Corporate Due Diligence Obligations in Supply Chains.

Munich, March 1, 2024



Jörg Biebernick
Chief Executive Officer (CEO) and Chairman of the Paulaner Brewery Group



Thomas Drossé
Chief Sales Officer (CSO) of the Paulaner Brewery Group



Sebastian Strobl
Chief Financial Officer (CFO) of the Paulaner Brewery Group