



HUMAN RIGHTS  
POLICY STATEMENT



As an international family business, the Vaillant Group takes a long-term approach in terms of its planning and activities. When making business decisions, we take economic, environmental and social aspects into account.

Observing and strengthening human rights is a fundamental part of our corporate ethos. Our aim is to ensure respect for human rights within our company, work towards compliance across our global supply and value chains within our scope of influence, achieve transparency in respect of potential risks and take action wherever human rights have been breached.



## 01 SCOPE

This Vaillant Group human rights policy statement is binding on all employees of Vaillant GmbH and its subsidiaries. We respect the human rights of interest groups closely linked to our operations, such as temporary staff, customers, neighbours and local communities. We also expect our suppliers to comply with our principles.

## 02 CONSIDERATION OF INTERNATIONAL STANDARDS AND GUIDELINES

To ensure compliance with human rights, labour standards and environmental standards, the Vaillant Group bases its principles on internationally applicable standards and guidelines, including:

- The United Nations Universal Declaration of Human Rights (UNUDHR),
- The fundamental Conventions of the International Labour Organization (ILO), as well as other relevant, internationally established ILO standards, as applicable,
- The International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights,
- The Minamata Convention, the Stockholm Convention and the Basel Convention,
- The United Nations Guiding Principles on Business and Human Rights (UNGPs),
- The OECD Guidelines for Multinational Enterprises.

As a long-standing participant in the **UN Global Compact**, the Vaillant Group expressly recognises its Ten Principles – which cover the areas of human rights, labour standards, environmental protection and the fight against corruption – and promotes their observance within its sphere of influence. As stipulated within our general purchasing terms, among other places, we also expect our suppliers to commit to the Ten Principles of the UN Global Compact.

Our **Code of Conduct** sets out the values, rules and behaviours that underpin our commercial activities.

### 03 HUMAN RIGHTS AND ENVIRONMENTAL PRINCIPLES

The Vaillant Group takes compliance with all human rights and environmental standards seriously. It is our stated aim to avoid breaches of human rights and environmental damage. We respect the right of all to life, liberty and social security. This particularly applies to the following basic principles:

- We reject all forms of (modern) slavery, forced and compulsory labour, human trafficking, torture and child labour. No one may be employed against their will or forced to work. Underage employees are subject to special health and safety protection and must not be inhibited in their development.
- We uphold freedom of association and respect the right of all employees to establish workers' representative bodies in line with statutory provisions and to conduct collective bargaining in relation to working conditions. Members of workers' organisations shall not be subjected to unjustified unequal treatment on the basis of their membership. We strive for constructive cooperation with employee representatives and comply with legal information obligations. In countries where the right to freedom of association is restricted by law, we seek alternative forms of dialogue with employees.
- We do not tolerate discrimination or harassment due to characteristics such as gender identity, age, ethnic/national origin, religion, sexual orientation, socio-economic background, disability or political beliefs. All forms of discrimination and harassment in the workplace are unacceptable.
- We promote effective occupational health and safety management. Work must be organised in such a way that risks to the life and physical and mental health of employees are avoided as far as possible and remaining risks are minimised.
- We strive for working conditions that provide a good balance between working hours and leisure time. This includes an appropriate limit on working hours as well as regular rest periods. These are based on the respective applicable legal requirements and must ensure the health of employees is protected. We are committed to an adequate wage that ensures an appropriate standard of living for employees, taking into account local conditions and other benefits, and is at least equal to the minimum wage set by applicable law.
- We are committed to protecting the natural environment and using resources sparingly. Our goal is to, as far as possible, avoid or reduce emissions to air, water and soil so as not to affect the environment and the health and livelihoods of local communities. When using and processing hazardous substances such as mercury or persistent organic pollutants, we comply with all restrictions applicable under national and international law. We have hazardous waste treated exclusively by competent waste disposal companies and prohibit its export abroad.
- We respect applicable land rights and rights to use natural resources and do not unlawfully restrict them. We reject the unlawful use of private or public security forces for this purpose.

## 04 RISK MANAGEMENT

The Vaillant Group has a Social Compliance Management System in place to ensure effective management of risks to human rights and the environment. This contains due diligence elements derived from the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG) and the frameworks listed above, and defines roles and responsibilities for implementation within the company's own area of business and in the supply chain. In particular, this results in clear guidelines for the analysis of human rights and environmental risks, the adoption of preventive measures and the implementation of remedial measures in the event of violations of rights.

Our Group-wide Social Compliance Directive governs human rights, labour rights and environmental standards within our own area of business. We have described the requirements for our suppliers in a Supplier Code of Conduct, to which key suppliers must commit themselves with their signature or through equivalent guidelines of their own. In addition, we have integrated key requirements into our quality handbook for suppliers, our General Terms and Conditions for Orders, and framework contracts.

In the course of the risk analysis, we identify and prioritise potential risks to human rights and the environment at our sites worldwide and at our suppliers. All prioritised risks arising from the principles described above are addressed through preventive measures or concepts within our own area of business and at our suppliers. We review possible violations of human rights and environmental standards and, if necessary, take appropriate remedial measures.

With our occupational health and safety and environmental management systems in accordance with DIN EN ISO 45001 and DIN EN ISO 14001, we take responsibility for the health and safety of our employees as well as for the environment.

We procure a broad range of products and services from suppliers around the world. At the Vaillant Group, we incorporate mechanisms to prevent human rights breaches at various phases, such as when selecting suppliers, working with them, evaluating them and during their ongoing development.

## 05 RESPONSIBILITIES

The senior management team is responsible for the implementation of, and compliance with, the Vaillant Group Human Rights Policy Statement. Every employee is required to integrate the principles listed here into their daily work routine and to observe them in their behaviour. The Human Rights Officer coordinates and monitors the social compliance management system; they also support the responsible departments in the implementation of due diligence obligations.

In order to prevent human rights violations, we regularly carry out awareness-raising measures and training courses on the subject of human rights and the environment in relevant areas of the company.

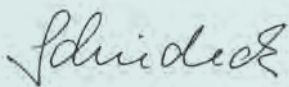
## 06 GRIEVANCE MECHANISM

Employees and company-external individuals potentially affected can inform the Vaillant Group about risks to human rights and the environment and violations of rights via various channels. We have put an electronic [whistleblower system](#) in place for employees, customers, business partners and their employees. This online tool is an external, certified communication platform with special security features, which makes it possible to notify the Vaillant Group of violations (anonymously if desired). All information is kept strictly confidential. In addition, information can be addressed to the Human Rights Officer as well as the local members of staff responsible for compliance, human resources, purchasing, occupational health and safety or environmental management.

The Vaillant Group has defined processes in place to deal with human rights and environmental complaints in order to ensure a fair and transparent procedure. Relevant complaints are handled by an independent body without mandate. Complainants are protected from unjustified disadvantages. In all cases, we follow up on notifications that offer indications of relevant violations of the law and take remedial measures in the event of a confirmed suspicion.

## 07 CONTINUOUS IMPROVEMENT

We are conscious that the implementation of human rights due diligence is an ongoing process, both in terms of our own business activities and in relation to supply and value chains. We accept this challenge and regularly review our strategic approaches and measures with the aim of continuous improvement. We also provide regular and transparent information on implementation status and developments as part of our external reporting.



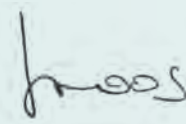
**Dr.-Ing. Norbert Schiedeck**

Chief Executive Officer



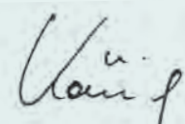
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TAKING CARE  
OF A BETTER CLIMATE

INSIDE EACH HOME  
AND THE WORLD AROUND IT

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