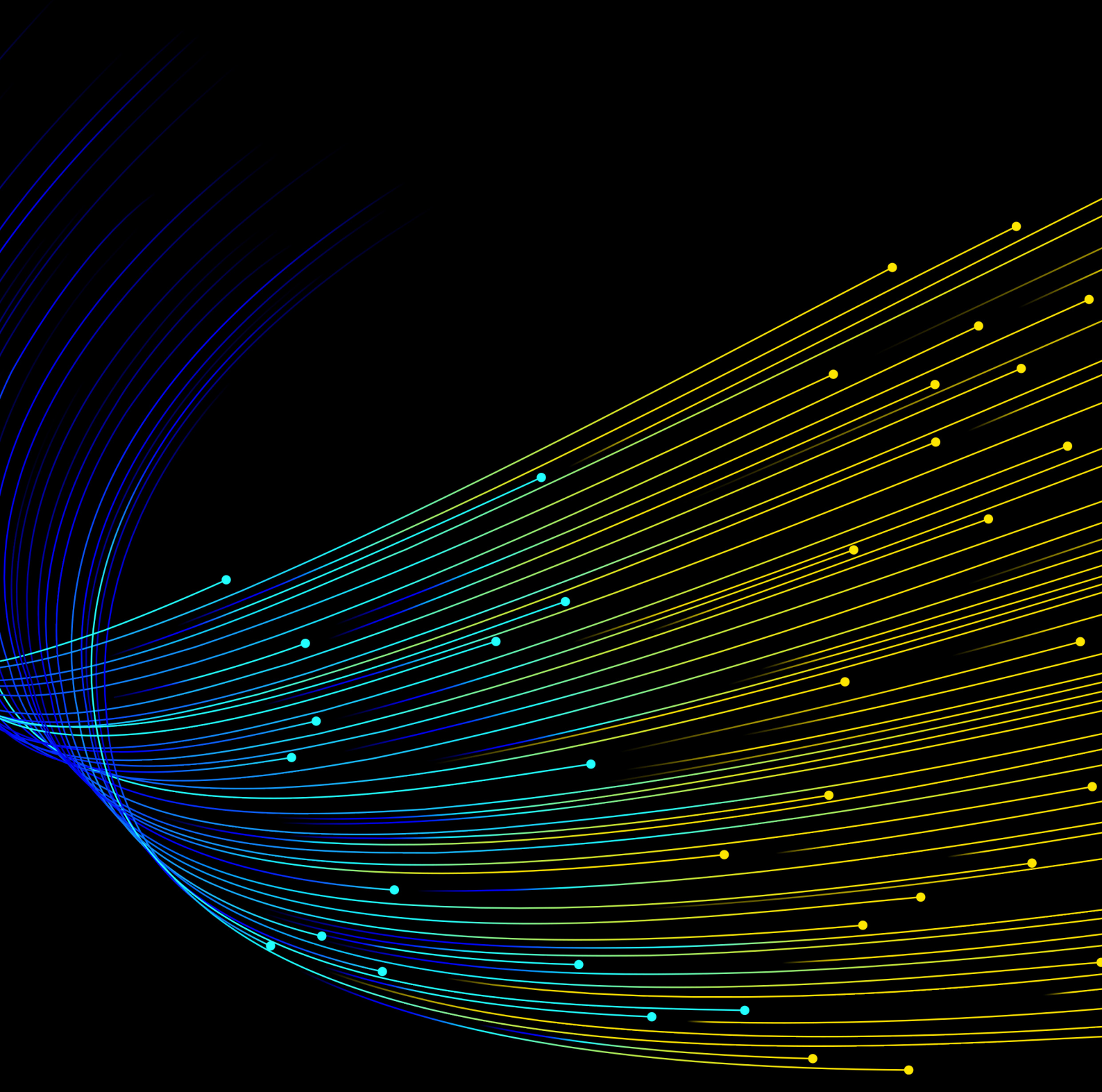


HELLA



Human Rights  
Policy



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# Foreword

## ***Dear Colleagues, Business Partners and Suppliers,***

HELLA successfully contributes to shaping the mobility of the future. Acting sustainably and responsibly has been a high priority for decades. As an international company, HELLA's business activities impact people and the environment globally. Thus, the company has a responsibility that extends beyond its own location gates. HELLA therefore acts holistically: in addition to environmental and climate protection, sustainability also embraces social issues such as respect for human rights, occupational health and safety, and responsible corporate governance. In this way, HELLA wants to contribute to a more sustainable, more environmentally friendly and socially responsible world.

Human rights are universal, they belong to every person in the world and they apply regardless of the origin, beliefs or the way in which a person lives. Because HELLA operates globally and has global supply chains, we want to ensure that human rights are considered wherever we operate. HELLA is committed to respect internationally recognized human rights. It strives to develop an organizational culture to support these rights and to avoid human rights violations within our own area of business and within our supply chains. That is why our business partners and our suppliers are expected to respect the internationally recognized human rights and to also disseminate these principles in their supply chains.

Our commitment to support the internationally recognized human rights is based on the principles contained in the following international standards: International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights), the Fundamental International Labour Organization Conventions (as stated by the ILO Declaration on Fundamental Principles and Rights

at Work and its Follow-up (1998), UN Guiding Principles on Business and Human Rights (2011) and OECD Guidelines for Multinational Enterprises (2011).

In order to prevent human rights and environmental violations in our activities, we have developed a human rights and environment due diligence approach with which risk analyses are conducted, measures are implemented and processes are adapted to the principles in this policy.

We would like to take this opportunity to thank you in advance for your support and we firmly believe in living and implementing human rights and environmental protection daily in all activities.

**Michel Favre**, CEO, HELLA

**Bernard Schäferbarthold**, Member of the Management Board, Finance, Controlling, Information Technology and Process Management, HELLA

**Dr. Lea Corzilius**, Member of the Management Board, Human Resources and Business Group Lifecycle Solutions, HELLA

**Yves Andres**, Member of the Management Board, Business Group Lighting, HELLA

**Björn Twiehaus**, Member of the Management Board, Business Group Electronics, HELLA



**FORVIA**

Inspiring mobility



“ *HELLA has a responsibility to respect human rights. We believe that international business can only flourish when human rights are protected and respected. We aim to contribute to a social, fair and environmentally-friendly world. Our Human Rights Policy is a cornerstone in these endeavors.* ”

Michel Favre

CEO, HELLA

# 1. Introduction

HELLA is a listed, internationally positioned automotive supplier and a company of the Group FORVIA. With more than 150,000 employees at over 300 locations, they form the seventh largest automotive supplier worldwide. Within the de facto group, HELLA stands for high-performance lighting technology and automotive electronics. At the same time, the company covers a broad service and product portfolio for the spare parts and workshop business as well as for manufacturers of special vehicles with its Lifecycle Solutions division. Our corporate culture is rooted in seven basic values: entrepreneurial spirit, teamwork, sustainability, focus on performance, innovation, integrity, and exemplary conduct of all parties concerned. These values shape our quest to meet and exceed the expectations of our customers, suppliers, business partners and shareholders, in all daily operations.

At HELLA, responsibility for people is not a concept merely for internal consideration; instead, it is a priority that extends throughout the entire value chain. Against this background, HELLA strives, inter alia, to work with suppliers who respect human rights.

This policy sets out the aspects regarding human rights and the environment HELLA expects from its employees, business partners and suppliers. It describes the human rights and environment due diligence approach within our company and in our supply chain: how we assess the risks, what measures we take to avoid human rights infringements, plans for remedial actions, a complaints procedure where employees and stakeholders can report human rights and environment violations anonymously and how we document this process.

HELLA is committed to respect human rights. The HELLA Human Rights Policy is based on the following international standards:

- International Bill of Human Rights consisting of Universal Declaration of Human Rights (1948), International Covenant on Civil and Political Rights (1966) and International Covenant on Economic, Social and Cultural Rights (1966)
- The Fundamental ILO Conventions as stated by the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998)
- UN Guiding Principles on Business and Human Rights (2011)
- OECD Guidelines for Multinational Enterprises (2011)

This Human Rights Policy applies to all HELLA employees, business partners and suppliers and complements other HELLA policies and guidelines which make reference to human rights and the environment, such as, but not limited to: HELLA Code of Conduct and the HELLA Code of Conduct for Suppliers and Service Providers; nevertheless, HELLA's human rights and environment expectations as stated in the HELLA Human Rights Policy shall prevail in case of conflicting provisions between these policies and guidelines.



## 2. Respecting Human Rights and Environmental Obligation

HELLA is committed to respect internationally recognized human rights and protect the environment. The company expects its business partners and suppliers to act in the same manner.

### Human Rights Related to Working Conditions

#### 2.1 No Child Labour

HELLA rejects all forms of child labour, including the worst forms of child labour (e.g., illicit activities or work which is likely to harm the health, safety or morals of children). The childhood, dignity, health, safety and education of children must be respected and protected.

The minimum age of employment of young people, as well as their health, safety and morals in an employment relationship shall comply with the provisions of the Core ILO Conventions<sup>1</sup>.

#### 2.2 No Forced Labour and Free Choice of Employment

HELLA rejects all forms of forced or compulsory labour, modern slavery and human trafficking and does not make use of any forms of forced and compulsory labour in its activities. All practices shall be in line with the Core ILO Conventions<sup>2</sup>.

Forced or compulsory labour means any work or service which is obtained from a person under the threat of any penalty and which the person has not offered voluntarily. Forced or compulsory labour practices can include, among others, servitude, with holding original identity documents, movement restrictions, debt bondage work or other types of coercion.

At HELLA, employees are free to choose their employment and to end their employment relationship at any time in line with respect of a reasonable notice period according to local law.

<sup>1</sup> ILO C138 - Minimum Age Convention (1973) and ILO C182 - Worst Forms of Child Labour Convention (1999)

<sup>2</sup> ILO C29 - Forced Labour Convention (1930), ILO C105 - Abolition of Forced Labour Convention (1957) and Protocol of 2014 to the Forced Labour Convention (1930)

#### 2.3 Freedom of Association and the Right to Collective Bargaining

HELLA recognizes the rights to freedom of association and collective bargaining, in line with local law<sup>3</sup>.

Employees shall have the right to establish and to join unions or employee representative bodies, to elect their own representatives and to organize their activities. HELLA remains neutral during these activities. The employees or their representatives shall not be subject to any form of discrimination based on their union membership.

In countries where these rights are restricted by local law, local solutions for keeping an open dialogue with the employees are taken into consideration.

#### 2.4 Non-Discrimination and Equal Opportunity

HELLA rejects all forms of discrimination on the grounds of age, race, colour, sex, language, religion, political or philosophical ideas, national or social origin, property, birth, sexual orientation, gender identity, marital status, pregnancy, parenthood, health or disability, union activity or any other status protected by law. The company is committed to equality of treatment and opportunity<sup>4</sup>, as well as to the principle of equal remuneration for work of equal value regardless of gender<sup>5</sup>. Employees shall be recruited, hired, remunerated or promoted based only on their qualifications and skills.

At HELLA, employees are treated in a humane manner, with dignity and respect. HELLA values diversity and encourages an inclusive work environment. The company strongly rejects any behaviour which creates an offensive, hostile or intimidating work environment as well as all forms of harassment, including sexual harassment and mental or physical abuse.

<sup>3</sup> ILO C87 - Freedom of Association and Protection of the Right to Organise Convention (1948) and ILO C98 - Right to Organise and Collective Bargaining Convention (1949)

<sup>4</sup> ILO C111 - Discrimination (Employment and Occupation) Convention (1958)

<sup>5</sup> ILO C100 - Equal Remuneration Convention (1951)





## 2.5 Wages and Benefits

HELLA is committed to remunerate its employees with an adequate wage which is amounting to at least the minimum wage as established by the local law or determined in accordance with the regulations of the place of employment, so that a decent living for the employee can be ensured. Local living costs and the local social security benefits shall be taken into account.

## 2.6 Working Hours

At HELLA, working hours shall comply with local laws. HELLA values health and safety of all employees and thus complies with local laws regarding break periods, rest and leisure times.

HELLA supports the balance between professional and personal life. The different HELLA sites are developing appropriate local measures to support employees further.

## 2.7 Education and Training

HELLA takes the development and further training of its employees seriously. HELLA provides education and training programmes so that employees can develop their skills, maintain their performance and keep employability levels high in the long run. Employees' potentials are developed through different training programmes. HELLA is focusing on technical training as well as personal development on a global scale. Access to further education and training is based on the principle of equal opportunities for all employees.

## 2.8 The Right to Health and Safety

As an employer, HELLA ensures compliance with all legal and social regulations. It protects and respects the human rights to health and life. HELLA's health and safety standards focus on a culture of prevention. With the corporate occupational health and safety management system based on international standards, HELLA aims to prevent accidents at all workplaces around the world.

HELLA demands that all employees adhere to strict and clear safety rules at all times. The company continuously trains employees in line with their roles and raises their awareness for safety related aspects. HELLA analyses binding global standards and health and safety risks systematically and develops corresponding programmes. HELLA closely monitors its health and safety performance.

HELLA fosters the continuous improvement of the occupational health and safety management by exchanging best practices, conducting audits and certification procedures according to international standards.

## 2.9 Land Acquisition

For acquiring, developing, or using land or buildings, HELLA has developed and implemented standard processes and rules regarding the steps and checks needed to be taken before acquiring land or buildings. This includes full due diligence with regards to ownership, actual use and future development possibilities. During these processes, consideration to the human rights that might be affected is given.

## 2.10 Security Personnel

Whenever using security personnel belonging to HELLA or external parties, human rights shall be respected during their activities. In respecting the right to life, no one shall be subject to torture, inhumane or degrading treatment.

## Human Rights and the Environment

The preservation of natural resources which are the basis for future generations is part of HELLA's corporate responsibility. HELLA acts in an environmentally responsible manner at all times. The company recognizes the importance of transitioning to a low carbon economy. A safe and clean environment is a precondition to realize human rights. HELLA has set carbon neutrality targets and aims to develop products that support the conservation of natural resources.

To this end, HELLA has established an environmental management system at all production sites, which gets certified on a regular basis. Through environmental risk assessments and high environmental standards based on legal regulations, industry standards, and international environmental conventions, HELLA strives to avoid any harm to the health of people and the environment.

This includes activities regulated by international conventions<sup>6</sup>, such as the ban on the use of mercury and other specific chemicals, as well as the disposal and export of hazardous waste.

<sup>6</sup> Minamata Convention on Mercury (2013)

Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal (1989)

Stockholm Convention on Persistent Organic Pollutants (2001)

# 3. HELLA Human Rights Due Diligence Approach

## Within HELLA's Own Business

HELLA shall analyse the human rights and environment-related risks yearly as well as on an ad hoc basis if the risk situation is changing significantly. In HELLA's own business area, the internal risk analysis shall be carried out on a corporate and local level; findings from the complaints procedure shall also be taken into account. The human rights and environment risks identified shall be appropriately prioritized. Based on the results of the HELLA's internal risk analysis, appropriate preventive measures will be developed, if necessary.

The results of HELLA's internal risk analysis shall be communicated internally to the Management Board and other relevant departments annually.

If human rights or environment violations are discovered, appropriate remedial action to prevent, end or minimize the extent of the violation shall be taken without delay. The effectiveness of the remedial actions shall be reviewed yearly or on an ad hoc basis.

## Within HELLA's Supply Chain

HELLA commits to responsible procurement. As a global company with a complex, international, and dynamic supplier network, HELLA is aware of its social responsibility along supply chains and expects human rights to be respected and the environment to be protected by its suppliers. The resulting minimum requirements for direct suppliers are defined in the contractual clauses, in this Human Rights Policy and in the HELLA Code of Conduct for Suppliers and Service Providers, which are part of HELLA's general purchasing terms and conditions

HELLA pursues a risk-based approach to identify, evaluate and eliminate violations of human rights and environmental obligations in its supply chains. HELLA reserves the right to check its suppliers' compliance with human rights and environmental obligations through supplier self-assessments, onsite visits and audits. If violations of human rights or environment obligations are discovered in any of these assessments, remedial actions must be taken in a reasonable amount of time. If suppliers do not remedy the identified violations, HELLA reserves the right to restrict the business relationship with these suppliers.

The results of the human rights and environment risk analysis in the supply chain shall be communicated internally to the Management Board and other relevant departments.



HELLA respects the rights of everyone who works with and for us and those affected by our activities. We treat people fairly, with respect and dignity. Our commitments are laid down in our management systems and processes.

**Dr. Lea Corzilius**

Member of the Management Board, Human Resources and Business Group Lifecycle Solutions, HELLA







## 4. Complaints Procedure

HELLA's web-based reporting system "tellUS!" is available to all HELLA employees to report possible violations of human rights and environmental obligations, laws and other serious misconduct, if wished anonymously. Not only employees, but also business partners and other stakeholders - including the direct and indirect suppliers - from all over the world, can use this reporting channel at all times to report such suspected violations including notable violations of human rights and environmental laws and rules.

The reporting portal can be accessed directly via HELLA intranet as well as via HELLA's public website.<sup>1</sup>

HELLA has a dedicated organization, including the Compliance Office, which manages incoming complaints in a confidential, impartial and diligent manner according to established procedural rules.

## 5. Implementation of the HELLA Human Rights Policy

### **Within HELLA's Own Business**

This policy applies to and is binding for all organizational units and holding companies in which HELLA GmbH & Co. KGaA directly or indirectly holds shares of more than 50 % (HELLA Group). In the case of minority shareholdings and memberships in organizations, those who represent the HELLA Group on the respective decision-making bodies shall take all necessary measures to ensure compliance with the principles set forth in this policy. This policy applies to and is binding for all employees of the HELLA Group and members of the corporate bodies of the HELLA companies, regardless of their position, function or level of employment.

All the necessary steps shall be taken to ensure that employees are aware of the human rights and environment principles contained in this policy and that these principles are binding.

The Human Rights Policy shall be communicated to the employees in an appropriate manner. Employees are expected to adhere to these principles in their day-to-day work.

### **Within HELLA's Supply Chain**

HELLA expects human rights and environmental obligations to be respected within supply chain.

Therefore, HELLA's purchasing contractual terms stipulate the obligation of direct suppliers to comply with the human rights and environmental obligations and HELLA's right to check if they comply with it. The direct suppliers of HELLA are required to appropriately address human rights and environmental obligations within their business activities and in their supply chains.

1. <https://hella.whistleblownetwork.net/WebPages/Public/FrontPages/Default.aspx>

## 6. Final Clauses and Review

### Governance

The framework for HELLA's sustainability activities is defined by the HELLA Management Board. It decides on targets and initiatives within the group. The Chief Financial Officer of HELLA is responsible for overarching sustainability issues. At HELLA, human rights and environmental obligations are part of the sustainability activities.

The cross-functional HELLA Sustainability Council connects stakeholders and evaluates new requirements. In order to avoid human rights and environmental violations, the Sustainability Council is responsible for the overarching activities related to human rights and environment, such as the implementation of these principles. For this purpose, the Sustainability Council will report annually or on an ad-hoc basis to the Management Board about the steps taken to avoid violations of human rights and environmental obligations.

### Documentation and Reporting

HELLA will report annually on its human rights and environment due diligence in its own activities and in its supply chain. Documents related to these activities are going to be kept and made available to selected stakeholders as stated by law.

### Contact

In case of questions related to this Human Rights Policy, please contact HELLA's Sustainability Council via email at [sustainability@hella.com](mailto:sustainability@hella.com).

### Review of This Policy

Human Rights and environment due diligence is an ongoing and dynamic process as human rights and environment risks may change over time and HELLA's operations and operating context may evolve. For this reason, HELLA will review this policy whenever it is necessary or required.

Lippstadt, 16<sup>th</sup> May 2022

