

MISSION STATEMENT ON HUMAN RIGHTS

HUMAN RIGHTS DUE DILIGENCE OF THE ROHDE & SCHWARZ GROUP OF COMPANIES

Our commitment to sustainability is part of our corporate success, because it allows us to maintain reliable partnerships and relationships based on trust. Rohde & Schwarz understands sustainability as a commitment to internationally recognized human rights.

The document below describes how we help ensure that human rights are respected in the best possible way in our business activities. This document reflects our internal understanding and also explains how we help prevent human rights violations and promote good working conditions both within our company and at our partners.





Our understanding of respect for human rights

We are aware of our entrepreneurial responsibility to respect human rights. We are therefore committed to respect of human rights in our own business activities and in our global supply chain. In line with the guiding principles for commerce and human rights of the United Nations, we endorse the following international human rights references and standards.

They form the basis for our understanding:

- ▶ The United Nations General Declaration of Human Rights
- ▶ The United Nations International Covenant on Political and Civil Rights
- ▶ The United Nations International Covenant on Economic, Social and Cultural Rights
- ▶ The conventions and recommendations of the International Labour Organization (ILO), in particular the core labor standards with their four basic principles of freedom of association and the right to collective bargaining, combating forced labor and child labor, and the prohibition of discrimination in employment and vocation

In this way we recognize that our business activities and our global supply and value chains can potentially have a negative impact on human rights. Along with respect for all internally accepted human rights, we focus on the human rights and environmental issues that are especially important in the entrepreneurial context of Rohde&Schwarz.

In the remainder of this document, these human rights and environmental obligations are referred to as “due diligence obligations.”

Anchoring at the highest corporate level

We have defined clear responsibilities for observing and complying with our due diligence obligations. The responsibility for implementation of this policy declaration and respect for human rights in our business activities and in our upstream value chain rests at the highest management level, namely with the Executive Board of Rohde&Schwarz GmbH & Co. KG. Control and operational implementation are the responsibility of the respective departments and divisions.

We regard the protection of human rights as a continual process that is constantly reviewed and progressively developed in the interaction of various relevant areas of the company. This takes place in accordance with constantly changing general conditions, the nature of the business activities, and the size and structure of the company. To allow our existing processes to seamlessly interact with each other and to establish new processes as necessary, our human rights working group conducts regular meetings. The operational divisions Corporate Risk Management, Legal Services, Compliance, Corporate Procurement, Environment, Occupational Safety, Human Resources and Sustainability Management are represented in this working group.

The objective of the working group is regular and incidental internal reporting on the human rights related results of our continuous risk analysis and information on the effectiveness of our remedial and preventive measures. This information augments the activities of the Rohde&Schwarz Compliance Committee, in which information from our complaint mechanisms and any complaint procedures are discussed.

The human rights officer reports the results of these activities to the Executive Board at least yearly, as well as incidentally as necessary.



Expectations with regard to employees and suppliers

We expect our employees and the suppliers of relevant business processes to endorse respect for human rights and to commit to establishing suitable due diligence processes. In addition, they should pass on these expectations, for example to their own suppliers. Rohde&Schwarz does not tolerate any behavior that deviates from the attitude defined in the section “Our understanding of respect for human rights” (page 1). Our due diligence processes are therefore not only an integral part of the Rohde&Schwarz organization, but also contractual obligations in the supply chain (see page 3, section “Preventive and remedial measures”).

Risk management

Anchoring of risk management for due diligence

Risk analysis of potential and actual detrimental human rights and environmental risks and their impact forms the basis for the targeted and effective derivation of due diligence obligations and measures. Company-wide risk management encompasses continuous due diligence risks in our own business and in our supply chain. This relates to all relevant business units and divisions as well as the plants and subsidiaries.

In our own business and in the supply chain,

- ▶ industry risks and country risks are included in the evaluation;
- ▶ identified risks are prioritized, taking into account the expected typical severity and the reversibility of due diligence breach.

Continuous risk management, annual risk management workshops, and incidental reports enable us to continuously address current human rights and environmental risks and their impacts. In the event of significant changes, business activities are re-evaluated and further measures are implemented. A dashboard gives the Executive Board access to the consolidated results of the human rights and environmental risk analysis at all times. The results of the risk analysis are constantly available to the human rights officer and to the human rights working group.

Results of risk analysis and high-priority risks

Rohde&Schwarz strives intensively to achieve a comprehensive and well-founded risk analysis of the due diligence obligations. The process of risk identification and prioritization is very complex, so we expect the first results of the risk analysis of all relevant suppliers and companies in the course of 2023.

Preventive & remedial measures

Anchoring, responsibility and objectives of due diligence measures

The responsibility for taking additional measures rests with the respective managers in the business units and divisions, as well as the plants and subsidiaries. To this end, these measures are described in detail, a person responsible for the implementation is determined, and the due date is stated. Companywide risk management tracks and monitors the progress of the enacted measures.

The derivation of suitable measures serves to protect the persons and groups of persons concerned against detrimental impacts on their human rights and on environmental matters. In our efforts regarding due diligence, Rohde&Schwarz is aware that certain persons or groups of persons are especially exposed to risk due to their vulnerability, for which reason they need special care. Rohde&Schwarz is working to improve consideration of the interests and needs of vulnerable persons and groups in the future.

Portfolio of preventive and remedial measures

Rohde&Schwarz has developed and implemented various measures to preventively avoid and reduce risks. These tools are modified or updated as necessary to properly address the due diligence obligations.



In our own business, the measures portfolio for human rights and environmental risks includes:

- ▶ the code of conduct and corporate strategy applicable to the entire group of companies;
- ▶ a Corporate Standard on due diligence, including a due diligence strategy, applicable to the entire group of companies;
- ▶ quality, environmental and occupational safety policies (also available externally via a link) and further guidelines on quality, the environment and occupational safety;
- ▶ tools to increase awareness of human rights (for example, human rights training and a guideline on non-discriminatory language);
- ▶ continuous updates and further information on the company's internal intranet.

In the supply chain, the measures portfolio for human rights and environmental risks includes:

- ▶ a code of conduct for Rohde&Schwarzsuppliers and the contractual obligation of suppliers to pass on human rights and environmental expectations to their supply chain;
- ▶ updated order conditions of the Rohde&Schwarz group of companies;
- ▶ a strategy in Corporate Procurement for supplier communications that defines not only human rights and environmental due diligence obligations, but also general sustainability objectives;
- ▶ processes applicable to the entire group of companies, which among other things include supplier assessments and certificates for strategic and preferred suppliers, supplier declarations for the selection of new suppliers, and supplier audits.

In additionally created expert committees, risky suppliers are discussed and suitable preventive and remedial measures are defined.

Effectiveness check & continual improvement

Processes to ensure due diligence

To prevent or mediate detrimental impacts on due diligence, Rohde&Schwarz uses a variety of approaches intended to ensure the effectiveness of the measures taken.

In our own business, the effectiveness of the measures is ensured by, among other things:

- ▶ periodic and incidental checks by means of compliance reporting;
- ▶ periodic and incidental checks by internal auditing.

Furthermore, Rohde&Schwarz uses the following tools, among others, for internal effectiveness checking:

- ▶ a periodic employee survey;
- ▶ verification of the effectiveness of training and ongoing education measures by means of comprehension questions during the course of training and a systematic survey of the understanding, relevance, quality and tendency to further recommendation of the training formats.

In our supply chain, we check the effectiveness of measures by:

- ▶ continuously analyzing the results with regard to human rights and environmental risks and impacts, and adjusting measures as necessary;
- ▶ carrying out risk-based audits at our direct suppliers, for example in the form of document reviews, online assessments and on-site verifications.



Complaint mechanisms & remedies

Rohde&Schwarz strictly opposes any form of human rights violations. We are aware that suitable and effective complaint management is an essential part of our due diligence process. It effectively prevents potentially detrimental impacts on our due diligence by our enterprise and our business activities. In addition, it can help us take effective remedial measures.

At Rohde&Schwarz, personal and written communications channels can be used to report potential violations of this policy statement, human rights and environmental risks, or violation of due diligence obligations with respect to human rights or the environment. Direct managers, heads of department, Compliance, regional compliance officers, local compliance officers and works councils (where such have been established) are also available for this, as well as Human Resources for staff-related matters. In addition, people outside the company are able to report potential compliance violations, human rights and environmental risks or violation of human rights or environmental due diligence obligations, by telephone or by post to the location addresses that can be found on the web pages.

We aim to improve access to the reporting mechanisms and remedies for affected parties in the future. To this end, we are further developing the complaint system to provide easy, comprehensible, anonymous and free access to the complaint process for external interest groups in particular, as well as potentially affected parties.

Reporting and communications

The R&S Policy Statement on Human Rights is issued annually and incidentally in German and English and:

- ▶ communicated internally to all employees worldwide on the intranet;
- ▶ communicated directly to decision makers;
- ▶ published on the Rohde&Schwarz website.

Final remark:

The implementation of the human rights and environmental due diligence obligations is a dynamic and continual process. Our policy statement is therefore subject to continuous review. It will be further developed in a suitable manner on this basis.

Peter Riedel
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