

# Statement on Compliance with the UK Modern Slavery Act

Lauterbach GmbH (hereinafter referred to as Lauterbach) recognizes the fundamental importance of respecting human rights in its own operations and supply chains. We monitor and take appropriate measures to ensure that modern slavery and human trafficking do not play a role in any aspect of our business. We are aware of our responsibilities under the UK Modern Slavery Act 2015. This statement is made in accordance with section 54(1) of that Act and constitutes the company's slavery and human trafficking statement for the financial year ending 31 December 2022.

## I. Company's structure & business

Lauterbach is a privately owned company headquartered in Höhenkirchen-Siegertsbrunn, Bavaria, Germany. Internationally, the company has 7 subsidiaries spread across 11 locations in Europe, North America, Asia and Africa and employs approximately 130 people worldwide. Lauterbach is the leading manufacturer of complete, modular and expandable microprocessor development tools in the form of high-end debuggers and real-time trace solutions for debugging embedded software systems.

For the reporting year 2022, the company achieved an annual turnover of €65 million (approximately £56 million) worldwide.

## II. Company's supply chains up and downstream

Lauterbach supplies test and analysis tools to numerous well-known customers worldwide, covering a wide range of industries, such as the automotive industry, semiconductor industry or telecommunication.

For the manufacturing of debugging and tracing tools, Lauterbach mainly sources electronic components such as printed circuit boards and semiconductors as well as plastic housings from various suppliers. Our upstream supply chain consists of about one hundred distributors and component manufacturers, mainly located in Germany.

Lauterbach neither purchase raw materials directly nor has recourse to subcontractors, which mitigates the risk of human rights violations such as modern slavery within our company and our direct supply chain. However, Lauterbach is aware that due to the risk profiles of the industry, particularly in mining or in the production of certain components outside the European Union, there may be risks associated with modern slavery and/or human trafficking. Particularly with regard to minerals supply chain, Lauterbach relies primarily on data provided by our direct suppliers and on available studies conducted by international organizations or NGOs, as it is not possible for a SME to carry out on-site inspections of all intermediaries in the supply chain.



### III. Policies & due diligence processes

To minimize the risk of modern slavery within the company and its supply chain, Lauterbach has implemented the following formal policies and due diligence processes.

#### i. Code of Conduct

Lauterbach's Code of Conduct reflects our responsibility and willingness to act ethically and with integrity in all our business relationships and towards our employees. It sets out the basic rules applicable company-wide to all employees, top management and suppliers. Among other things, it provides for the observance of human rights, in particular our commitment to combating child and forced labor.

#### ii. Company Regulations

Lauterbach's company regulations include basic guidelines on various aspects of working life such as time recording, flextime, company vacations or business trips. In addition, the company regulations contain important information on occupational health and safety in the workplace and on additional benefits to which all employees are entitled.

The provision of company regulations is not an intended legal obligation for companies. However, it raises employees' awareness about the company and also serves to prevent risks associated with performing a professional activity. In addition, they ensure that the workforce is better informed about their rights and obligations at work, as well as the rights and obligations of the employer.

#### iii. Recruitment process & working conditions

Lauterbach's Human Resources Department implements a fair recruitment process, in accordance with the provisions of German labor law, or with local labor law in case of subsidiaries, to ensure that applicants are qualified, eligible to work and not discriminated against on the grounds of age, gender, race, religion or nationality.

Lauterbach strives to offer competitive salaries that meet industry and national standards to ensure that employees are compensated appropriately. Furthermore, Lauterbach follows the recommendations made by the German trade union IG Metall for its site in Germany, whose aim is to achieve favorable wages and better working conditions through collective agreements.

Potentially vulnerable workers, such as minors (apprentices), are identified at the recruitment stage and benefit from age-appropriate working conditions, in line with the provisions of the German Youth Employment Protection Act to prevent child labor within the organization.

### IV. Assessment of actions taken in 2022

In the 2022 reporting period, Lauterbach fulfilled its due diligence obligations and took the following measures to mitigate and prevent human rights risks such as modern slavery:

- Appointment of a compliance officer,
- Definition and adoption of a company-wide code of conduct



## V. Improvement plan & objectives for the next reporting year

During the next reporting period, Lauterbach intends to review and improve its policies and processes by carrying out the following tasks:

- Establishing an internal and external reporting channel for whistleblowers in accordance with Article 8 of Directive (EU) 2019/1937 and § 12 of the German Whistleblower Protection Act
- Conducting an initial review of our suppliers for potential social and environmental risks in the supply chain.

This statement applies to Lauterbach GmbH as well as to all its subsidiaries worldwide and was approved by the Board of Management on the 20<sup>th</sup> October 2022.



Dr. Thomas Ullmann  
Managing Director