

## Modern Slavery Compliance Statement

Lauterbach GmbH recognizes the fundamental importance of respecting human rights in its own operations and supply chains. We monitor and take appropriate action to ensure that slavery and human trafficking play no part 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 the above Act and constitutes the company's Slavery and Human Trafficking Statement for the financial year ending 31 December 2023.

### I. Company's structure & business

Lauterbach is a privately owned company composed of Lauterbach GmbH and Lauterbach Engineering & Co KG registered in Höhenkirchen-Siegertsbrunn, Bavaria, Germany. Internationally, the company includes 7 subsidiaries spread across 11 locations in Europe, North America, Asia and Africa and employs around 140 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 used for debugging so-called embedded software systems.

### II. Company's supply chain up & downstream

Lauterbach supplies debugging and tracing tools to a large number of customers worldwide covering a wide range of industry sectors such as the automotive industry, equipment manufacturers or producers of power tools and electronic devices.

For the manufacturing of debugging and tracing tools, Lauterbach mainly purchases electronic components such as circuit boards and semiconductors as well as plastic housings from different suppliers. Our upstream supply chain is made up of around a hundred distributors and components manufacturers principally located in Germany.

Lauterbach neither buys raw materials directly nor has recourse to subcontractors which mitigate the risk of human rights violations such as modern slavery within our company and our direct supply chain. However, Lauterbach recognizes that risks associated with modern slavery and/or human trafficking may exist due to the industry's risk profiles, particularly in the mining industry and the manufacture of certain components outside the European Union. 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 our supply chain, Lauterbach has the following formal policies and processes to enforce legally compliant business conduct.

#### 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. It includes our compliance with human rights, especially our commitment to combating child labor and forced labor.

#### ii. Company Regulations

Lauterbach's company regulations include basic guidelines on various aspects of working life such as time recording, flex-time, 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 that all employees receive.

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, are eligible to work and are 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 our employees are compensated appropriately. In addition, 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 2023

During the 2023 reporting period, Lauterbach fulfilled its due diligence obligations and took the following measures to mitigate and prevent human rights risks such as modern slavery:

- Hire a compliance officer
- Introduce compliance to employees
- Establish an internal and external reporting channel for whistleblowers in accordance with EU provisions
- Conduct a first screening of our suppliers for potential social and environmental risks in the minerals supply chain using the Responsible Minerals Initiative questionnaire

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

During the course of the next reporting period, Lauterbach seeks to review and improve our policies and processes by carrying out the following tasks:

- Conduct more in-depth supply chain assessments with regard to sustainability aspects
- Raise employee awareness of sustainability, governance and human rights, particularly modern slavery and human trafficking risks across the supply chain
- Strengthen cooperation with business partners to increase transparency
- Update and develop compliance policies and strategies
- Optimize compliance management system

This statement applies to Lauterbach GmbH and Lauterbach Engineering & Co KG as well as all its subsidiaries worldwide and was approved by the Board of Management on the 1<sup>st</sup> July 2024.