

Company Statement on Human Right in Business and Modern Slavery  
for Piller Group  
for the period 1.1.2022 to 31.12 2022

The Piller Group manufactures and sells highly integrated, specialized products for conditioning of electrical power. It is headquartered in Osterode, Germany and operates subsidiaries in the US, UK, Australia, Singapore, India, France, China, Italy, Spain and in Germany for sales & service of its products, which are solely manufactured in its two manufacturing operations, located in Osterode, Germany, and Austin, Texas, USA.

The products consist of high quality material, again mostly manufactured in Europe or USA and/or qualified international suppliers, with a very high portion of specialized electromagnetic steel, copper, and other steel fabricated parts, as well as power electronic components. The products are sold only via the mentioned subsidiaries who additionally execute larger project management and local procurements of material & service, which is required for complete system installations in the respective countries, they operate in.

The Piller Group's comprehensive Human Rights in Business (HRIB) policy was implemented first in 2021, including annual yearly reporting from all its operating subsidiaries and the headquarter purchasing operations. The subsidiaries and purchasing organizations report are reviewed then by the board of Piller Group GmbH.

The policy is based upon the UN Guiding principles for human rights in business and includes our statements with respect to modern slavery. During the year 2022 there has been no amendment or modification to the policy and it remained in force. All new employees have been trained within their initial training process on the content of the policy and for existing staff there has been implemented a yearly refreshment training.

Concerning modern slavery, the aim of our training is to raise awareness and be sensitive to any possible conflict and appearance of violations of our policies and to act proportionately insofar as is reasonable. The policy focusses and references especially the Global Slavery Index, with its most current release in the year 2018.

The policy has also been integrated into our business operations across the group including supply contracts where practicable.

For the Period January 1<sup>st</sup>, 2022 to Dec 31<sup>st</sup> 2022, there have been no relevant purchases within the Group from suppliers or sales to customers in any of the 10 countries listed as most prevalent for modern slavery in the GSI Index 2018. Moreover, the purchasing activities of all parts of the organization has been reviewed against the import risk summary for G20 countries within the GSI 2018, section 6, and no respective purchases were done, besides negligible amounts of purchases of mobile phones, power supplies, laptops and desktop computers, computer switches and network cables for normal office and service technician operations, the total purchasing of such products across the group being <200k€.

For its purchases of copper and/or steel components, even though we cannot in detail follow and analyze the complete supply chain back to the copper and iron ore, the processes are capital intensive and according to the GSI not predominantly likely to involve modern slavery. Our tier I suppliers for these materials operate in Europe or the USA.

For welded and/or machined parts of steel, even though the manufacture is labour intensive, these are not specially referred to in the GSI. Furthermore, suppliers are regularly visited by purchasers and should there be any suspicion of a breach of our policy they are investigated further before entering in respective supplier contracts.

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Electronics and Electrical components are also only sourced from known, audited suppliers in Europe and the USA, with no indication of violation of our policies. For some of the purchasing volume it is know/assumed, that suppliers operate larger manufactruring facilities in China.

Large contracts are monitored monthly, including respective discussion on involved sub-suppliers.

The board of the Group has reviewed the individual reports of its subsidiaries as provided by the respective Managing Directors for the year 2022.

There have been no reportable incidents of violation of our policy.

Also, the Group's human trafficking monitoring and reporting system a as well as a formal whistleblowing policy identified no respective events in the reporting period.

In conclusion the board is satisfied that the Piller HRIB policy has been properly implemented and is being followed as intended, while still noting that proficiency will continue to strengthen over time.

The Board formally approved this statement during its board meeting held on July 3rd, 2023.

Dr. Zaki Sgini

Managing Director Global Business

Dr. Detlev Seidel

Managing Director Operations