

Statement of Principles

I. Foreword by the Management Board of the Bundesgesellschaft für Endlagerung

Acting on behalf of the federal government, the Bundesgesellschaft für Endlagerung mbH (BGE) is responsible for selecting the best possible location for the final disposal of high-level radioactive waste materials and for the permanent storage of radioactive waste deep underground.

With this Statement of Principles pursuant to section 6(2) sentence 2 of the Supply Chain Act (LkSG), we, the Management Board of the BGE, stipulate the handling of human-rights and environmental risks in our own area of responsibility and for the BGE's supply chains with respect to all of our sites.

At the same time, with this Statement of Principles, the BGE sets out the expectations of employees, suppliers and business partners in terms of respect for human rights throughout supply and value chains.

II. Commitment of the BGE to respect for human rights

Against this background and as enshrined in its compliance programme, the BGE is committed to respect for human rights and the prevention and remediation of violations in these areas.

The BGE's commitment to the upholding of human rights is based on the Guiding Principles on Business and Human Rights of the United Nations (UN) and is also shaped by the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILO Core Labour Standards), with its four basic principles regarding freedom of association and the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour, and the prohibition of discrimination in employment. To this end, the BGE obeys applicable national rules, such as the Basic Law as well as labour and social laws and regulations.

The BGE expects its employees to follow the guidelines set out in this Statement of Principles, as well as the BGE's Mission Statement, when making business decisions. This includes respectful and appreciative cooperation and fair collaboration with our business partners.

The BGE also expects suppliers and business partners to commit to and abide by the respect for human rights and internationally recognised labour and environmental standards expressed in this Statement of Principles. At the same time, they are called upon to pass this expectation on to their own suppliers and business partners.

III. Approach of the BGE to implementing human rights due diligence

Implementation forms part of the BGE's integrated management system approach. In particular, the existing occupational safety and health and the risk- and compliance-management system help to prevent or minimise harm to the reputation and credibility of the BGE in terms of the avoidance of any violations of human and environmental rights. In this way, the BGE builds trust and contributes to fair cooperation.

For the handling of risks within the supply chain and within its own area of responsibility, the BGE has implemented a multistage process in which overall responsibility ultimately lies with the Management Board. LkSG risk management is covered by the uniform corporate risk management and is monitored by the Compliance/Anti-Corruption staff unit.

Negative impacts, whether they relate to human rights or the environment, are systematically identified and remedied both at the BGE and at suppliers.

The process described in detail in chapters IV to VII forms the basis for the BGE's holistic and continuous LkSG approach.

The arranged activities are regularly reviewed in terms of their appropriateness and effectiveness and undergo continual further development.

The processes and results are documented and stored accordingly and are incorporated into the annual report to the Federal Office for Economic Affairs and Export Control (BAFA) in accordance with section 10(2) of the LkSG.

IV. Risk analysis in our own area of responsibility and in the supply chains

With this in mind, the BGE continually checks where particular risks of human-rights and environmental violations exist within its own area of responsibility and its supply chains. This check is based on an annual and also ad hoc risk analysis process that is carried out both for our own business activities and for direct suppliers. This process, which is also carried out for the BGE's indirect suppliers where necessary, begins with an abstract consideration of risks and serves, in particular, to identify industry-, raw material- and country-specific risks for individual supplier groups with a view to the subsequent risk analysis. In the second step, suppliers that are subject to an increased risk are examined in relation to priority human-rights and environmental risks as part of a specific risk analysis. This process incorporates the expertise and experience of the relevant employees, who are in constant contact with the suppliers.

The following areas are identified as being particularly sensitive: child and forced labour, income, working hours, discrimination, respect for freedom of association, and occupational safety and health.

The results of the risk analyses are continually incorporated into business decision-making processes in relation to internal business strategies as well as the BGE procurement processes, which are regulated by procurement law. The risk analysis also provides a basis for the identification of appropriate preventive and remedial measures.

V. Preventive measures

At suitable points, the integrated management system approach involves using the completed risk analyses as the basis for defining aims and measures. These are then adapted and scrutinised in light of new results or findings. Corresponding measures are implemented on different levels in order to minimise the priority risks:

- Human-rights and environmental topics are enshrined within the BGE's own area of responsibility by means of guidelines, internal awareness-raising, and staff education, as well as by continually reviewing measures with regard to their suitability.
- On entering into a contract, suppliers are obliged through supplementary contractual terms to respect the values and expectations arising from this Statement of Principles and to apply them when selecting their own suppliers. Furthermore, the BGE reserves the right to implement different risk-appropriate control mechanisms (e.g. spot checks and rights to information) in its supplementary contractual terms.
- Moreover, in formal procurement procedures exceeding the value limits set by the BGE, suppliers are called upon to include information on violations of the LkSG that are punishable by a fine in a self-declaration.

VI. Complaint procedure

An appropriate and effective complaint procedure is available to employees, suppliers and business partners, as well as potentially affected parties, allowing them to report violations or negative impacts on humans and the environment in their own area of responsibility and in the supply chain and then to prevent or counteract them accordingly.

Reporting individuals can contact the BGE's Compliance and Anti-Corruption Officer with their complaints/reports not only by phone but also via the internet (<https://www.bge.de/en/compliance/>) and by post. This process is strictly confidential, and the reporting individual can also submit their complaint anonymously. The complaint procedure is impartial and respects the principle of the presumption of innocence.

All complaints and reports relating to human rights violations and relevant violations of environmental obligations are processed in a transparent and predictable procedure. The findings provide the basis for the identification, introduction and monitoring of effective measures.

The sequence of complaint procedures is described in the procedural rules (<https://www.bge.de/en/compliance/>).

VII. Handling of violations

If the BGE establishes that its business activities contribute or are indirectly connected to potential or actual human rights violations, it takes appropriate remedial action.

If there are justified suspicions or specific indications of possible human rights violations in its own area of responsibility, the BGE immediately adopts measures that lead to a cessation of the violation or risk.

Insofar as the BGE becomes aware that aspects of human rights or environmental law have been violated, the BGE defines measures in accordance with its scope of influence and in collaboration with the supplier concerned. The arranged measures are monitored and documented continually until their completion.

Other appropriate responses are also envisaged – ranging from a request for immediate termination of the violation to legal action, including termination of the business relationship with due regard to the existing requirements under procurement law as part of the respective procurement processes.

VIII. Responsibilities for human rights due diligence at the BGE

In the last instance, responsibility for the implementation of and compliance with this Statement of Principles lies with the BGE Management Board. In operational terms, the safeguarding of the declared company principles is led by the Materials Management (Purchasing) division, with support from central risk management and the Compliance/Anti-Corruption staff unit. Informed decisions can always be made thanks to regular and ad hoc internal reporting to the Management Board on findings that are relevant to human rights and the environment, as well as the reports from complaint procedures and information on the effectiveness of adopted remedial and preventive measures. The Compliance/Anti-Corruption staff unit is responsible for monitoring the LkSG risk management process and reports on this to the Management Board at least once a year as part of its regular reporting formats.

IX. Reporting

The BGE is conscious that the implementation of human rights due diligence in its own business activities and in supply chains is an ongoing process. The BGE provides regular and transparent information on the fulfilment of corporate due diligence within the framework of the LkSG based on the electronic questionnaire of the Federal Office for Economic Affairs and Export Control (BAFA) and in its annual sustainability reporting. Both report formats are made available on the website www.bge.de.

X. Adoption of the Statement of Principles

The extended Management Board of the BGE adopted this Statement of Principles on 15 December 2023.

This Statement of Principles enters into force on 31 December 2023.

Dr. Thomas Lautsch

Managing Director,
Bundesgesellschaft für Endlagerung mbH (BGE)

Dr. Monika Kreienmeyer

Authorised signatory,
Bundesgesellschaft für Endlagerung mbH (BGE)

Michael Greb

Authorised signatory,
Bundesgesellschaft für Endlagerung mbH (BGE)