

Testo SE & Co. KGaA

Declaration of policy on respect for human rights and the environment

Adopted on 22.04.2025

I. Our commitment

Testo SE & Co. KGaA is committed to upholding human rights, respecting the rights of employees and protecting the environment. It is the declared aim of the company management to respect, protect and promote human rights and the environment along the entire value chain.

Violations of internationally enshrined human rights and national and international environmental protection regulations will not be tolerated. In particular, consideration is given to the rights of potentially affected groups.

The following international regulations, to which the entire Testo Group is committed, form the basis of the due diligence obligations with regard to human rights and environmental issues:

- United Nations International Bill of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work
- International Convention on Economic, Social and Cultural Rights
- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- Core labour standards of the International Labour Organization
- United Nations Convention on the Rights of the Child

The principles of human rights and environmental strategy set out in this declaration apply to the entire business area of Testo SE & Co. KGaA, including its subsidiaries in Germany and abroad, and must be observed by the management and employees in the performance of their duties. They supplement the Code of Conduct of Testo SE & Co. KGaA, including all other corporate principles, guidelines and instructions. Local implementation is the obligation of those responsible at each location.

For us as a group of companies active in climate and environmental measurement technology, the sustainable use of resources is part of our corporate culture.

II. Respect for human rights and the environment throughout the supply chain

The international guidelines for the protection of human rights and the environment are reflected in the German Supply Chain Due Diligence Act in Section 2 (2) and (4) LkSG. Testo SE & Co. KGaA is committed in particular to

- Compliance with the prohibition of slavery, child and forced labour;
- Compliance with regulations on occupational health and safety and working hours;
- Recognition of the right of all employees to form employee representative bodies, go on strike and engage in collective bargaining;
- Equal treatment of all employees free from any form of discrimination;
- Granting of an appropriate wage, at least in the amount of the minimum wage stipulated by the applicable law;
- Compliance with the prohibition on causing harmful soil change, water pollution, air pollution, harmful noise emissions or excessive water consumption;
- Compliance with the prohibition of unlawful eviction or deprivation of land, forests and waters;
- Compliance with the ban on the use of private and public security forces if this threatens a violation of human rights;
- Compliance with the prohibition to impair human rights through other conduct in a particularly serious manner;
- Compliance with the ban on the manufacture of mercury-added products and the use of mercury and mercury compounds in manufacturing processes as well as unauthorized treatment of mercury waste;
- Compliance with the ban on the production and use of banned chemicals;
- Compliance with the ban on the non-environmentally sound handling, collection, storage and disposal of waste and the unauthorized export and import of hazardous waste.

Testo SE & Co. KGaA takes appropriate and effective measures to identify and verify human rights and environmental risks in its own business area and in the entire supply chain and to prevent the materialization of risks. If it is determined that a violation of a human rights or environmental obligation has occurred or is imminent, a targeted remediation process takes effect, during which individual measures are taken to end a violation and minimize its consequences.

All measures taken as part of our human rights and environmental responsibility follow the principle of "empowerment before retreat": We are committed to supporting our business partners in preventing and ending violations of human rights or environmental regulations before we abandon business relationships or switch to alternative sources of supply.

III. Effective risk management

The due diligence obligations are implemented for the company's own business area and the entire supply chain as part of a risk management system. Through the horizontal and vertical integration of due diligence obligations into all relevant business processes, Testo SE & Co. KGaA ensures that risks are identified and preventive and remedial measures are implemented in a targeted manner. Risk management is implemented across the group and centrally managed by a special department at Testo SE & Co. KGaA.

1. Measures for effective risk management

The Testo Group's risk management system establishes processes for implementing due diligence obligations and defines areas of responsibility, competencies and reporting lines.

The due diligence obligations are anchored horizontally within Testo SE & Co. KGaA. All relevant departments - in particular Quality Management, Purchasing and Legal – are involved in the implementation steps. The implementation of the due diligence obligations is managed operationally by the Quality Management department. In accordance with Section 3 (1) No. 2 LkSG, quality management is responsible for risk mitigation measures and reviews the effectiveness of the internal control and risk management systems as part of regular and ad hoc audits.

The responsibilities and implementation processes are summarized in a work instruction that is always available to all departments and employees.

Due diligence obligations are anchored vertically by defining supervisory and coordination responsibilities at management level. The Executive Board has overall responsibility for the implementation of human rights and environmental due diligence obligations.

Testo SE & Co. KGaA has appointed an LkSG officer within the meaning of Section 4 (3) LkSG, who monitors risk management for its own business area and the entire

supply chain and carries out regular effectiveness reviews. The LkSG officer works together with the relevant departments (in particular Quality Management, Purchasing and Legal) to continuously develop the catalogue of measures for compliance with due diligence obligations.

The LkSG Officer reports directly to the Executive Board.

2. Identifying, weighting and prioritizing risks

Testo SE & Co. KGaA conducts comprehensive risk analyses with regard to compliance with human rights and environmental obligations within its own business area and at its direct suppliers. In doing so, we draw on both internal and external expertise. The complexity and scope of our international supply chain require the use of technical solutions that support us in identifying, verifying, weighting and prioritizing risks.

Our risk analysis system enables us to determine the individual risks of each business partner. An abstract risk analysis based on a large number of recognized indices and studies by external experts is carried out on the basis of general supplier information - in particular country of origin and sector. We then check business partners for specific human rights or environmental risks on the basis of supplier self-assessments, verified certifications and our own findings from inspections or business processes. Not only the country of origin and the industry of the business partner are taken into account. We also analyze product risks, trading level risks, the complexity of upstream supply chains and a wide range of other data in order to narrow down, localize and identify risks at an early stage.

We weight and prioritize risks by comparing the typically expected severity of a possible legal violation and its irreversibility with the probability of occurrence. We also take into account our own potential causal contributions and the extent of our influence in order to prioritize risks and take targeted action where risks are likely to materialize. With the help of a risk matrix, we identify our need for action and initiate preventive and corrective measures where they are necessary.

As part of an annual risk analysis, Testo has identified potential human rights and environmental risks in its own business area and at direct suppliers.

The potential individual risks were determined using automated data analysis. In a next step, the risks were checked for plausibility, classified according to turnover and assessed in accordance with the appropriateness criteria. As a result of this approach, all risks in the company's own business area were refuted. Following the same procedure, country-specific risks in China, India and Türkiye in particular remained for direct suppliers.

An appropriate catalogue of measures was developed and implemented across all divisions with the support of an external provider. Testo's limited ability to influence these country-specific risks was taken into account.

IV. Preventive measures

The comprehensive risk analysis is supplemented by appropriate and effective preventive measures.

An internal company code of conduct applies in our own business area, which clearly and comprehensibly summarizes the expectations and rights of employees.

Testo SE & Co. KGaA offers extensive training and education opportunities, which employees take advantage of. The employees responsible for implementing the human rights and environmental due diligence obligations take part in further training measures in order to be able to implement the international requirements for human rights and environmental protection throughout the entire supply chain.

We carry out regular and ad hoc checks in our own business area in order to identify and minimize risks at an early stage. We monitor business partners within the scope of the legal possibilities and requirements. In particular, direct suppliers are subjected to careful scrutiny before new business relationships are entered into.

We require business partners to pass on our human rights and environmental expectations in the supply chain and to monitor compliance on an ongoing basis. To this end, our Code of Conduct for Business Partners and Suppliers forms the basis for entering into a new business relationship.

V. Remedial measures

Effective remedial action must be taken when a violation of a human rights or environmental obligation occurs or is imminent.

Testo SE & Co. KGaA will initiate corrective action immediately upon identification of a relevant violation. We develop customized remedial measures for every situation and every direct or indirect supplier in order to terminate violations in a targeted manner. At the same time, we have developed a series of framework measures that can be activated and filled with specific content immediately as a modular system in response to infringements.

For each remedial measure, we define a process, success targets and clear internal company responsibilities. Each remedial measure contains a concrete timetable and can be provided with interim targets. The system-supported action processes link all relevant players.

VI. Informant system and complaints procedure

An important role in identifying risks and violations in the supply chain is played by a functioning complaints procedure that is accessible to all those affected in the supply chain – from employees, business partners and suppliers to third parties who are affected by our activities or those of our suppliers. It is important that information can be submitted anonymously and confidentially.

Our informant system takes into account the complexity of our supply chain. Any access threshold is set low to make it as easy as possible to submit information.

Information is handled confidentially and swiftly. The employees involved in processing complaints are not subject to any instructions within the framework of complaints management; their neutrality is guaranteed. Every complaint triggers an evaluation and action process, which ends with the termination of the reported violation or the minimization of an identified risk.

Information and complaints submitted are also automatically taken into account as part of the risk analysis.

VII. Documentation and reporting

The implementation of all due diligence obligations is documented on an ongoing basis. We use a central risk management system to network all the information available to us on identified risks and the preventive and corrective measures taken.

We are also committed to transparent communication on the human rights and environmental challenges to which Testo SE & Co. KGaA is exposed. Through our public reporting, we communicate at least once a year on identified risks, measures taken and the progress made.

VIII. Outlook and expectations

Testo SE & Co. KGaA is committed to continuously reviewing, developing and improving its own measures. The effectiveness and efficiency of all human rights and environmental due diligence obligations must be guaranteed at all times. Effectiveness reviews are carried out on an ad hoc basis and at least once a year.

Our aim is to uphold human rights, respect the rights of our employees and protect the environment, and thus to continuously and sustainably improve the corresponding protective measures.

We expect compliance with human rights and environmental obligations not only from all Testo employees, but also from all business partners and suppliers. Respect for and observance of human rights and environmental obligations is the basic prerequisite for cooperation with the Testo Group.

Testo SE & Co. KGaA, repr. by Testo Management SE

Executive Board