



Oettinger Davidoff

Human Rights Policy

Approved by the Board of Directors of
Oettinger Davidoff Holding AG
on 14 June 2024

1 INTRODUCTION

At Oettinger Davidoff AG and its group affiliates (hereinafter, "Oettinger Davidoff") we value honesty, integrity, accountability and diversity and we believe in ethical behavior and in acting responsibly towards the community and the environment while respecting and promoting human rights.

As longstanding producer of handmade premium cigars, we have always cared for the people who work for and with Oettinger Davidoff. We are aware that we operate in countries where human rights may be at risk, and the respect for human rights is a fundamental value of Oettinger Davidoff.

Oettinger Davidoff's *Human Rights Policy* (hereinafter, "Policy") outlines and reflects our values and commitment to respect the human rights of our all our stakeholders, including our employees, partners, supplies, contractors and other people impacted by our global own operations and our value chain.

2 OUR COMMITMENT

At Oettinger Davidoff we declare to take reasonable steps to respect human rights across our business and value chain, which translates into a firm commitment to uphold internationally recognized human rights treaties and principles, such as the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct, the OECD Guidelines for Multinational Enterprises and the International Labour Organization (ILO) Core Labour Conventions, the Convention on the Rights of the Child, the ILO Convention No. 138 on minimum age for admission to employment and the ILO Convention No. 182 on the worst forms of child labour. To respect children's rights and to be free from child labour, Oettinger Davidoff implements the ILO-IOE Child Labour Guidance Tool for Business of December 15, 2015.

If there is a difference between these international standards and applicable laws, we will comply with the applicable laws, while being guided by the more stringent policies and standards. We encourage our suppliers and business partners to follow these standards and principles.

The *Policy* articulates the company's commitment to respecting human rights. This entails the implementation of a due diligence process aimed at respecting, promoting and above all preventing and/or mitigating adverse human rights impact throughout the company's own operation and its value chain. To create awareness on human rights, we will embed mandatory training and education throughout our organisation.



3 OUR APPROACH

Our commitment to respect and protect human rights of others and to comply with laws is embedded into our company. Our [Code of Conduct](#) forms part of the employment contract, while all suppliers are expected to comply with our [Supplier Code of Conduct](#). We expect our employees and temporary workers as well as our business partners, suppliers, and independent contractors to respect human rights in line with our policy and above-mentioned Code of Conducts.

To demonstrate Oettinger Davidoff's firm commitment to respect human rights, the Policy has been formalised and is and will continue to be supported by relevant processes and policies. It applies to our entire value chain. The statement is sent to all employees and to our business partners and is also available online on our corporate website.

4 OUR DUE DILIGENCE RISK MANAGEMENT SYSTEM

While this is Oettinger Davidoff's first *Human Rights Policy*, the company's journey of respect, human rights due diligence and improvement has been ongoing for several decades. Oettinger Davidoff is firmly committed to further enhance and conduct ongoing human rights due diligence. With the aim to identify, assess and prevent and/or mitigate potential and/or actual adverse impacts to people across our own operation and value chain, a *human rights risk management system* has been implemented along our 'crop to shop' value chain in 2023. The analysis of risks relating to our value chain will be carried out continuously and recurrently as follows: Using an abstract risk analysis based on our production and procurement structure, key risks along the value chain are identified and suppliers and service providers are assessed and prioritized according to potential risk positions, particularly in countries and types of operation with increased human rights risks. Suppliers with an increased predisposition to risk are subjected to a plausibility check as part of a specific risk analysis by obtaining and evaluating further information. The risks identified are weighted and prioritized according to their severity (considering scale, scope and remediability), probability of occurrence, causal contribution, and potential influence. The priority risks form the starting point for further improvements in preventive and remedial measures.

We commit to annually review our due diligence processes and salient risks and we will monitor and assess efforts and actions as well as publicly report on our human rights due diligence. If risks are identified, Oettinger Davidoff commits to taking preventive measures. Based on the learnings, the company will continuously enhance its risk-based due diligence processes and regularly review and if necessary, adapt its Human Rights Policy. As human rights issues are systemic, we also expect our business partners to share the same view and take appropriate steps and measure to identify, address and remediate any adverse human rights effects they may cause, contribute to or be linked to through their business relationship.

5 RISK ANALYSIS AND FOCUS AREAS

Considering Oettinger Davidoff's core business, it is crucial that salient risks are identified, assessed, and reviewed - 'from crop to shop' - on an annual basis.

We recognize that the salient human rights risks can evolve and while we enhance our processes and practices, we will continuously improve our human rights efforts. The below focus areas have been defined as our salient human rights issues according to their scale, scope and remediability and are prioritized for our action in alphabetical order:



- **Child Protection and No Child Labour**

We do not tolerate any child labour in our supply chain, and we recognize the human rights of children, such as the right to education, the right to play and the right to basic needs. In regard to the minimum age for employment and hazardous work we follow ILO's definitions and aim to align with the child rights and business principles.

- **Environmental Issues impacting Human Rights**

We acknowledge that a safe, clean, and sustainable environment is integral to the full enjoyment of human rights. Caring for the environment is therefore fundamental to respecting and protecting human rights. At the same time, we will do our best to actively minimize our environmental impact, to reduce our carbon footprint and help to promote and protect the eco system and biodiversity.

- **Freedom of Association and Collective Bargaining**

Workers have a right to freely choose to join or not join a worker's association of their choice without fear of reprisal, intimidation, violence, harassment, or any other punishment. Where local law unduly restricts freedom of association, we support alternative forms that permit an open dialogue between workers and the management. Wages and all legally mandated benefits (e.g., medical insurance, social insurance, pensions, and so on) must be determined based on the applicable national regulations, industry norms and standards, or established by the collective bargaining agreement (when applicable).

- **Modern Slavery and Forced Labour**

Employment is completely voluntary. We prohibit any and all use of forced labour, including prison, bonded, debt bonded or compelled labor. No withholding of any portion of any employee's wages, benefits, property, or documentation can compel such employees to continue working. Employees have the right to leave their employer at any time after reasonable notice as established by the applicable law and/or employment contract.

- **Occupational Health & Safety**

People are at the heart of our company and in the entire value chain. Our goal is to promote a sustainable health and safety culture throughout the organization and beyond. Our values foster the establishment of a work atmosphere that has high moral and ethical standards where employees respect and care for one another. We comply with the applicable laws and follow the ILO Convention on health and safety and aim to continuously provide and maintain a safe and healthy working environment for all our employees by identifying risks, implement preventive measures, assessing the effectiveness of these measures and seeking continuous improvement.

- **Responsibility towards Consumers**

We are producing and selling legal products for adults to enjoy on their own will, and we are committed to comply with all relevant laws and regulations along our "Crop to Shop" value chain in place from the creation of our products to the marketing, promotion and selling. As part of our values, we do not directly market, advertise or promote our products to people under the age of 18 (or any other legal minimum age required by applicable local laws), and we are convinced that minors should not buy nor use any of our tobacco products.



- **Working Conditions & Overtime**

Offering our employees all over the world fair working conditions and wages has always been important to us and we expect our partners in our value chain to offer their workers decent employment and a fair remuneration in alignment with national law and international standards (ILO), industry standards and local labour markets, in accordance with the terms of any applicable collective bargaining agreement. All overtime is to be handled according to the national law and international standards and employees are entitled to reasonable rest periods and days off.

6 GRIEVANCE AND REMEDY

Grievance and remedial procedures are critical to Oettinger Davidoff for ensuring that complaints or concerns for adverse impact are recognised and addressed. Anyone can use our [Reporting Concerns Platform](#) to report any human rights or ethic concerns. It is applicable online in four languages and complaints and grievances can be filed anonymously. Information on other potential risks and violations that reaches us by means other than our whistleblowing system will be handled according to the same rules and processes. Oettinger Davidoff will investigate all complaints and when adverse human rights impacts are uncovered due to Oettinger Davidoff's business activities or from linkages to its operations, the company is committed to taking timely and transparent action to remediate in a fair and equitable manner in line with the UNGP (UN Guiding Principles on Business and Human Rights).

7 GOVERNANCE

Overall responsibility concerning the respect and protection of human rights lies with Oettinger Davidoff's Board of Directors. The ESG Steering Committee oversees, coordinates, and engages with internal stakeholders and external expert advisors on the implementation of the Oettinger Davidoff Human Rights Principles. The Committee is chaired by the Management Team and is responsible for guiding the company's human rights due diligence, driving its implementation, monitoring its success and making sure that it is embedded throughout the organization and the entire value chain. The Board of Directors shall be informed at least annually.

8 WHAT WE ASPIRE

The aspiration of the Policy reflects Oettinger Davidoff's role as responsible employer and partner to ensure that human rights are respected and promoted across our value chain. Based on our findings and learnings we will review this document on a regular basis and introduce revisions where necessary and appropriate. Oettinger Davidoff's applicable Policy can be found on the company's corporate website: www.oettinger davidoff.com.

9 DOCUMENTATION AND REPORTING

Oettinger Davidoff will report annually on its human rights efforts and priorities in its own business areas and along its value chain. The report shall include the results of the risk analysis, the measures taken as well as the targets for the coming year. The report is published at www.oettinger davidoff.com no later than six months after the end of each fiscal year.



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10 RESPONSIBILITY

This Policy is written by Oettinger Davidoff's ESG Steering Committee. All questions related to the content may be addressed to: sustainability@davidoff.com.

The ESG Steering Committee bears the responsibility for keeping this Policy updated. This Policy will be reviewed periodically and updated as required to amend it to changed business processes, regulatory requirements as well as political and societal expectations.