

Declaration of Principles on Human Rights and Environmental Protection

The German Research Centre for Artificial Intelligence (DFKI) is Germany's leading business-oriented research institution in the field of innovative software technologies based on artificial intelligence (AI) methods. DFKI offers worldwide excellent scientific services in all areas of AI, especially in the transfer between basic research and the application of new findings in business and society and is oriented towards social relevance and scientific excellence in the decisive future-oriented research and application areas of AI.

This Declaration of Principles on Respect for Human Rights contains binding principles on respecting human rights and protecting the environment and forms the basis of our social responsibility throughout our value chain. This Declaration of Principles supplements the DFKI Code of Conduct and reaffirms our corporate duty of care towards our employees, suppliers, and business partners in particular and towards society in general. We regularly review the Declaration of Principles for its validity and update it as necessary.

All DFKI employees are obliged to comply with the human rights principles in this declaration.

Responsibility to respect human rights and protect the environment

We are aware of our responsibility to respect human rights and protect the environment and work continuously to fulfil this responsibility in the best possible way.

We are committed to international principles regarding the protection of human rights and the environment and are guided by internationally recognised human rights standards, conventions, principles and guidelines. This includes in particular

- Prohibition of child and forced labour
- Compliance with regulations on occupational health and safety and working hours
- Recognising the right of all employees to form employee representative bodies, go on strike and engage in collective bargaining
- Equal opportunities and protection against discrimination
- Right to health and safety at work

- Granting of an appropriate wage, at least in the amount of the minimum wage stipulated by the applicable law
- Protection of the environment, environmentally friendly behaviour, and careful use of resources
- 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 unauthorised export and import of hazardous waste.

Risk analysis

We carry out appropriate risk analyses with regard to human rights and environmental risks in our business area and our supply chain in order to identify, assess, and prevent potential and actual negative impacts in good time.

In our own business division, risks are evaluated with the support of the relevant specialist departments, which assess the risk situation in their respective areas. As a result, we define focus topics to which we orientate our prevention and remedial measures.

The risk analysis along our supply chain is based on a multi-stage analysis of our direct suppliers. The risk analysis is based on an assessment of the direct suppliers, particularly with regard to their country of origin and the product group of the delivered products. The results obtained in this way are checked for plausibility. In addition, a random check of the assessment is carried out in individual cases. If the risk analysis reveals an increased risk, the suppliers concerned are subjected to an in-depth review and, if necessary, appropriate prevention and remedial measures are taken.

Prevention and remedial measures

In order to avoid negative consequences of our actions on human rights, we train and sensitise our employees to our corporate values and principles. The training content is based on our risk analysis and is adapted as required. We organise online and face-to-face training courses, which are mandatory for all employees.

We take social and environmental criteria into account in our purchasing practices by assessing our suppliers' treatment of human rights and the environment and selecting suitable suppliers on this basis. To this end, we carefully scrutinise our direct suppliers before entering into new business relationships. Suppliers who do not fulfil the specified minimum social and environmental criteria are excluded from procurement processes.

In order to review the effectiveness of our prevention and remedial measures, we conduct regular and ad hoc internal audits and follow up on relevant indications of possible human rights violations. If a violation is discovered, we immediately take appropriate remedial measures.

Complaints procedure

Our electronic reporting platform enables both our employees and third parties to anonymously report human rights and environmental risks or to report violations of such obligations in our own business area and at our direct and indirect suppliers. Whistleblowers can access the reporting platform via the publicly accessible DFKI website.

The information received is processed systematically and consistently by the relevant specialist department. Whistleblowers can be involved in the processing via the system on an anonymous basis in the event of queries. At the end of the procedure, whistleblowers are informed of the outcome in writing.

Responsibilities

We have defined clear responsibilities for the fulfilment of and compliance with our human rights due diligence obligations.

Overall responsibility lies with the management board. It includes at least the control and monitoring of Supply Chain Due Diligence Act (LkSG)-related measures. The HR department is responsible for coordinating measures to respect human rights and fair working conditions. Processes to ensure due diligence within our supply chain are developed and defined by the finance and purchasing department. The legal department provides support with contractual regulations that define the requirements for our suppliers and business partners. The compliance department supports, advises, and is involved within the scope of its specialist responsibilities, particularly with regard to any corruption risks, but also functionally, for example in the investigation of reports of potential human rights or other relevant violations. We have appointed a human rights officer who is responsible for monitoring the implementation of the requirements of the LkSG. The rights, duties, and tasks associated with this function are documented in the job description.

Documentation and reporting

We document the fulfilment of our due diligence obligations continuously and on an ongoing basis and report to our internal and external stakeholders. From the 2024 financial year, we will report

annually to the German Federal Office of Economics and Export Control on the essential human rights and environmental risks that we have identified and on the impact of our business activities within our supply chain. This report will be published on our website.

Expectations of our business partners

We expect our business partners to commit to respecting human rights and complying with environmental obligations to the same extent, to commit to establishing appropriate due diligence processes and to pass these expectations on to their own suppliers.

Commitment to continuous further development

For us, respecting human rights and implementing human rights due diligence in our operational processes is an important contribution to improving the human rights situation. We accept this challenge and are committed to continuously improving the process by which we ensure the fulfilment of our duty of care to respect human rights. We therefore regularly review the process in light of the development of our business activities as well as national and international laws and standards. If necessary, we adapt our process and in accordance with our declaration of principles.



Prof. Dr. Antonio Krüger
Chief Executive Officer (CEO)



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