



**Declaration of Principles  
on Human Rights Strategy  
and Environmental Risks  
in accordance with the  
Supply Chain Due Diligence  
Act (SCDDA)**

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## Introductory note

Established in 1993, AmRest has evolved into one of Europe's leading restaurant operators, and a significant player in China's restaurant industry as well. Operating successful businesses and ensuring customer satisfaction are central to AmRest. Our daily decisions have a direct and indirect impact on people throughout the supply and value chain. AmRest is committed to being a responsible and trustworthy company with a sustainable supply chain. Therefore, we strive to co-operate with high-performance suppliers and service providers. Both our business activities and those of our suppliers must align with people and the environment to ensure socially responsible and sustainable business practices. We strive to uphold human and environmental rights, aiming to prevent violations, and, where they occur, taking effective remedial actions. With this approach, we do our best to contribute to a sustainable society.

## Commitment to Respect Human Rights and Environmental Protection

As an internationally operating company, the AmRest Group<sup>1</sup> - hereinafter referred to as 'AmRest' or 'we' - is aware of its global social responsibility and the impact of its business activities. Respect for human rights and environmental protection is a fundamental pillar of our business conduct and corporate responsibility. Our corporate due diligence extends beyond our own operations, including affiliated companies, to business partners and indirect suppliers along the supply chain. Employees at all levels are the focus of our due diligence responsibilities. We aim to conduct business operations that prioritize sustainability, transparency, and ethical responsibility, with a focus on complying with human rights, working conditions, and environmental protection. Through the implementation of social and environmental due diligence policies and procedures, we aim to identify potential risks within our business operations and throughout our supply chain. Taking appropriate preventive and remedial measures where required will help us prevent, end, or minimize human rights violations and environmental damage. In this pursuit, we are actively working on the continuous evaluation and improvement of our processes, striving to contribute to a sustainable future for all and to fulfil our responsibility as part of the global community.

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<sup>1</sup> "AmRest Group" refers to AmRest Holdings SE and all Group companies controlled by it, in particular our German subsidiaries AmRest Coffee Deutschland Sp. z o.o. & Co. KG and AmRest DE Sp. z o.o. & Co. KG, to which this Declaration of Principles applies equally and specifically (in the context of the German Supply Chain Due Diligence Act).

## Standards and Guidelines

Our actions and expectations are based on internationally established standards and guidelines, including:

- Universal Declaration of Human Rights of the United Nations (UN)
- UN Guiding Principles on Business and Human Rights (UNGPs)
- Ten Principles of the UN Global Compact (UNGC)
- Conventions and recommendations of the International Labour Organization (ILO) on labour and social standards (ILO Conventions)
- OECD Guidelines for Multinational Enterprises
- International Covenant on Civil and Political Rights of December 19, 1966
- International Covenant on Economic, Social and Cultural Rights of December 19, 1966
- United Nations Convention on the Rights of the Child

In addition, we refer to the contents and annexes of all relevant applicable domestic and international laws. AmRest expects all employees and business partners to comply with all applicable laws and fully meet our expectations regarding social and environmental responsibility. Our expectations and values are outlined in our Human Rights Group Policy and our Code of Ethics and Business Conduct, which all employees and business partners are required to adhere to without exception. Furthermore, our expectations for suppliers and business partners are defined in our Supply Code of Practice, urging our suppliers to communicate our expectations proactively.

## Risk Management & Responsibilities

A comprehensive and consistent due diligence management is essential to prevent, end, or minimize potential violations of human and environmental rights. To achieve this, we are working on a risk

management model that is firmly integrated into all operational processes and continuously improved and developed. Analyses of both abstract and specific risks will be implemented, allowing us to identify potential negative impacts on human rights and environmental concerns, including potential effects on parties within our own business area and along the supply chain. Based on the insights gained, we will be able to identify priority risk areas and define corresponding preventive and remedial measures to avoid and minimize potential risks.

Based on risk assessment and prioritisation, we will integrate these measures in our companies and along our supply chains. When necessary, we will engage relevant stakeholders and leverage conclusions drawn from the implemented complaint mechanism. The measures mentioned above will be regularly evaluated for their effectiveness and continuously improved as needed. All continuous processes and results will be documented and stored accordingly. Significant outcomes will be included in the Group and company reporting in accordance with legal requirements.

The responsibility for compliance with the principles outlined in this declaration lies with the management boards of AmRest Coffee Deutschland Sp. z o.o. & Co. KG and AmRest DE Sp. z o.o. & Co. KG (hereinafter referred to as 'management board'). Our centrally managed Human Rights Office is responsible for monitoring risk management and the operational implementation of due diligence obligations, supported by the management of the operational business units. The management board will ensure that the Human Rights Office is adequately resourced and guarantees the unhindered and independent fulfilment of its duties. The Human Rights Office's responsibilities include gathering, analyzing, and presenting the results of risk analyses for relevant stakeholders, information on the effectiveness and applicability of prevention and remedial measures, training and development, complaints and reports, documentation, as well as internal and external reporting. Through an internal monitoring and reporting system, our Human Rights Office will maintain regular and event-driven communication with the management board. The responsibility for implementing corresponding preventive and remedial measures ultimately rests with our operational units, ensuring the integration of this policy into their respective areas, including our local branches.

Aligned with the German Supply Chain Due Diligence Act, we uphold the following protected legal positions:

- Prohibition of child labour
- Prohibition of forced labour and all forms of slavery
- Occupational health and safety
- Freedom of association and the right to collective bargaining
- Prohibition of discrimination
- Employee rights and safety
- Adequate remuneration
- Prohibition of unlawful eviction and land confiscation
- Prohibition of negative impact on natural resources
- Hazardous waste and chemicals

## **Risk Analyses & Measures in Own Business Area**

AmRest is actively working on implementing and improving risk analyses to assess potential risks within its own business area, to be conducted regularly and on event-driven basis. Factors to be considered include location, nature and scope of relevant business activities, severity of potential infringement on the protected legal positions, and AmRest's influence. Results of audits will be taken into account. Internal policies ensure standardized ethical principles, integrating the prevention of occupational risks into the company's overall management system. This approach allows the targeted examination, assessment, and prioritization of site-specific risks. Regular and event-driven employee training will help us focus on raising awareness and promoting understanding of human rights and environmental concerns.. If potential risks or violations are identified in our own business area, immediate action will be taken in close coordination between the Human Rights Office and responsible employees on site. The effectiveness and implementation of the remedial measures will undergo an evaluation and monitoring process. This process may also act as a catalyst for initiating further preventive and remedial actions and assessing their success. The communication of the risk analysis results to the responsible decision-makers will be ensured through an internal monitoring and reporting system.

## **Risk Analyses & Measures for Suppliers**

As part of our risk management, we aim to conduct regular and event-driven risk analyses on our direct suppliers. As a first step, suppliers will be assessed and prioritized according to the potential risks of the raw materials supplied/services provided and countries of origin. Internationally established reports, data, and information from various stakeholders will aid us in conducting an abstract risk assessment (gross risk). Supplier-specific information, including audit reports, certifications, agreements, or existing preventive measures with suppliers, along with the experience of our employees and experts, will be incorporated into a specific risk analysis. This comprehensive approach will lead to a risk-oriented assessment of potential needs for adopting preventive measures (net risk), aiming to prevent potential human rights violations and environmental damage. If a higher risk is identified in the risk analysis and a supplier is prioritised accordingly, we aim to develop specific preventive measures for the supplier. Examples of preventive measures include enhanced inquiries into human rights and environmental aspects, on-site audits, or the mandatory acceptance of our Supply Code of Practice, which sets minimum standards for ethics, environment, and social responsibility that all AmRest suppliers must meet. As part of our contract policy, we require all our suppliers to develop and implement management systems that ensure compliance with our Supply Code of Practice.

If the implemented preventive measures prove ineffective or a violation is identified at a supplier, we will use our best efforts to collaboratively develop a concrete and time-bound remedial plan with the supplier to cease or minimize the violation. Through systematic recording and tracking, the results of these risk analyses and measures can be taken into account in future selection of suppliers. If implemented remedial measures with the supplier do not improve the situation, we reserve the right to terminate the business relationship. Appropriate contractual measures are established and will be adjusted as needed in relation to suppliers for this purpose.

In the event that we receive substantial knowledge from a supplier or other external sources about an already occurred or potentially impending violation by an indirect supplier, we will conduct an event-driven risk analysis and implement appropriate prevention and remedial measures against the offender to cease or minimize the violation. The results of the risk analysis will be communicated to the responsible decision-makers through an internal monitoring and reporting system. This ensures that our continuous improvements achieve maximum effectiveness.

## **Priority Risks**

Our risk analyses have revealed that the priority risk areas mainly exist in the upstream stages of the value chain. Some of our products or raw materials originate from countries where compliance with human rights and environmental aspects may not be guaranteed or may only be inadequately guaranteed. We pay special attention to typical risks in certain supply chains, including child labor, discrimination, working hours, and adequate compensation. Risks will be addressed through close dialogue with our suppliers and certifications related to products and raw materials. Based on an internal analysis AmRest will select producers for whom it is necessary to register in the SEDEX system and link their account to us. Suppliers have to complete the required risk assessment and undertake independent third-party audits when required. As part of the implementation of the due diligence obligations, the existing risk assessment will be continuously evaluated and adjusted as needed. If divergent priority risks are identified during regular or event-driven risk analyses, adjustments to this declaration of principles will be made accordingly.

## **Complaint Procedure**

An adequate, effective, and accessible complaint mechanism is an integral part of our continuous processes for obtaining information about human rights and environmental risks and, if necessary, taking remedial action. We take complaints and reports of possible human rights and environmental violations very seriously and provide publicly accessible and confidential complaint channels through our complaints system, which anyone can use to report violations at any time. Our complaint system

is part of our continuous processes and is open to all employees, business partners, and potentially affected third parties along the supply chain who wish to report violations within the company and at all stages of the value chain. We investigate all complaints and reports and prohibit any retaliation for reports made in good faith. Complaints and reports can be made by name or anonymously. Confidential treatment of information and identities as well as a fair procedure for processing complaints and reports are guaranteed. The processing of reports and complaints related to human rights or environmental standards is carried out by trained personnel in coordination with our Human Rights Office. The individuals handling these matters are impartial, independent, and bound by confidentiality. Additional information about the complaint procedure and the procedural guidelines are available on the reporting platform (<https://report.whistleb.com/Amrest>).

## **Documentation & Reporting**

At AmRest, we view the implementation of human rights and environmental due diligence obligations as a continuous process. Therefore, we regularly review our processes and procedures to continuously evolve and enhance them. Thorough documentation and transparent reporting on the implementation of due diligence are considered integral to our social responsibility. Reporting on human rights and environmental issues is regularly submitted to the management board. In addition, we will report annually on risks, measures, and developments in our annual report on our website in accordance with and above and beyond the legal requirements. If there are changes to the risk management processes for due diligence or new information on priority risks emerges, this declaration of principles will be adjusted accordingly.

AmRest extends its gratitude to our valued partners for their unwavering commitment to upholding human rights and environmental well-being. Your collective contributions play a pivotal role in fostering a sustainable and responsible business environment. Together, we strive to make a positive impact on society and the planet. Thank you for being integral to our shared mission.

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