

Declaration of principles for the protection of human rights and the environment

in accordance with Section 6 (2) of the Supply Chain Due Diligence Act (LkSG)

Nagarro is a global leader in digital engineering. With over 18,000 employees and a presence in 37 countries, we help our customers become innovative, digital-first companies and succeed in their markets.

The topic of sustainability is inextricably linked to Nagarro. As a company, we have always been mindful of the impact our business has on the environment and society. We have always adhered to this principle, even as we have grown as a company, expanded into several countries and hired thousands of new employees. We believe that business success must be achieved in harmony with the environment, society and the people whose lives we impact through our actions.

As our code of conduct, the Nagarro Constitution forms the foundation of our corporate governance. It not only provides a framework for legally compliant behavior, but also serves as a compass of values for our employees. We are determined to act on the basis of our "values and Constitution as a responsible, resilient organization". Our Code of Conduct for Suppliers and Business Partners is also intended to contribute to this goal by providing our suppliers with guidelines for their business relationship with Nagarro.

With this policy statement, we present our human rights strategy transparently and report on our voluntary commitment and the measures we have already taken to comply with our human rights and environmental due diligence obligations.

Corporate commitment to protect human rights and the environment:

Nagarro is committed to respecting and promoting human rights based on international human rights norms and standards, such as the International Bill of Rights and the core labor standards enshrined in the conventions of the International Labour Organisation (ILO). This commitment is deeply rooted in our corporate culture and is reflected in all our business practices.

The principle of CARING is at the heart of our corporate values. [CARING](#) refers to a humanistic attitude geared towards people - both within the company and towards our customers and suppliers. "CARING" is also an acronym for our other corporate values: "Client-centric", "Agile", "Responsible", "Intelligent", "Non-hierarchical" and "Global".

Respect and consideration for workers' rights and the basic human rights of all employees can be derived directly from our "CARING" philosophy. These rights include freedom of speech, freedom of association and collective bargaining, good and fair working conditions including fair wages and protection against the exploitation of people, especially children. For Nagarro, equal rights for women and men are crucial and we do not discriminate against anyone because of their ethnicity, gender, marital status, pregnancy status, religious belief, sexual orientation, transgender identity, expression, age, world view, medical condition, disability, union affiliation or military veteran status.

As a core value, CARING also includes caring for our environment, as responsibility towards the environment is an important concern for us. We are committed to ensuring that our business activities and those of our suppliers have a positive impact on the environment and therefore on peoples' quality of life. It is also important for us to recognize and understand the various risks that climate change, human rights issues and other societal changes pose to the future of our business. And we must do our part to assess and minimize our potential adverse impacts on climate and the environment.

Nagarro is aligned with the United Nations's Agenda 2030, essentially the Sustainable Development Goals (UN SDGS). We map our activities with the goals and report them annually as part of the non-financial statement. Our comprehensive approach to sustainability implementation across the organization enables us to impact many of the UN SDGs.

At Nagarro, we have identified climate action as an area of priority. To drastically reduce greenhouse gas emissions, we need unrestricted availability of data to continuously identify the main sources of emissions, knowledge of direct and indirect impact areas and a solid action plan. We therefore already collect this data at our main locations and determine our emissions in Scope 1 and 2 and partly in Scope 3 in accordance with the definition in the Greenhouse Gas Protocol, a global standard for accounting greenhouse gas (GHG) emissions.

A significant proportion of our greenhouse gas emissions are also linked to our supply chain. To become noticeably more sustainable here, we need to influence our suppliers and support them in identifying potential for improvement in their processes and upstream activities. We currently require our suppliers to comply with the ethical, social and environmental criteria listed in our Code of Conduct for Suppliers and Business Partners regarding the supply chain. All suppliers with whom we have an established business relationship must agree to, endorse and support this Code of Conduct.

In view of the climate crisis, we have also decided to take part in the Science Based Targets initiative (SBTi). This is a collaboration between companies and research institutions that aim to promote science-based measures to achieve the climate neutrality targets set out in the Paris Agreement. Nagarro has joined the SBTi 2023 and we will set a net zero target in line with the Paris Agreement.

Risk management:

As an IT services company, we recognize that risks to human rights can arise in our business activities and along our supply chain, primarily in the areas of working conditions, environmental protection and fair business practices.

To identify, assess and minimize these risks, we carry out regular risk analyses. The analysis is founded on a data identification and consolidation process, based on which we conduct an abstract risk assessment. It considers externally available risk index information regarding human rights risks and environmental related risks with regards to particular countries, regions, product categories, and industries. For suppliers identified to carry a relevant risk score out of this abstract risk analysis, specific further risk assessment is conducted afterwards as the second step of our risk analysis process.

Based on this comprehensive risk understanding, we develop and implement appropriate preventive measures to minimize or exclude such risks as far as possible.

According to our Code of Conduct for Suppliers and Business Partners, all suppliers must comply with all applicable labor laws and international labor standards. This includes laws and standards on wages and legally mandated benefits, working hours, vacation and time off, overtime pay and health and safety conditions. All suppliers must confirm that their employees have been adequately trained on safety issues and informed of their right to refuse unsafe work, and that they are able to raise work-related concerns without fear of negative consequences. Suppliers must also prevent discrimination among their employees and take precautions to prevent sexual harassment, mistreatment, exploitation and abuse. They must respect basic human rights, must not support child labor or forced labor and must not knowingly use products or services that are the result of child labor or forced labor.

Complaints mechanism:

An effective and easily accessible complaints mechanism is crucial to ensure that concerns and complaints regarding human rights and environmental violations can be brought to our attention, investigated and, if necessary, remedied. Led by the Global Risk & Compliance team, that is also in charge of the risk analysis process in accordance with the LkSG, together with key employees from the Human Resources, Legal, Finance, Compliance, Sustainability and Procurement departments, Nagarro has established such complaints mechanism through which all employees, suppliers, customers, injured parties, etc. can submit such concerns and complaints to us confidentially and anonymously at any time and anywhere in the world. We take all submissions through this mechanism very seriously and will carefully review, evaluate and, if necessary, take appropriate remedial action.

The complaints mechanism can be accessed by sending an email to partner.connect@nagarro.com. The Policy for Complaints Procedure under the Supply Chain Due Diligence Act can be accessed on the Nagarro website.

Transparency and reporting:

Transparency is a key element of our human rights strategy. Our aforementioned processes for implementing the human rights and the environment under the LkSG are reviewed regularly – at least once a year – as well as on an ad hoc basis if need be. Findings from information received via our reporting channels are also included in the review. We will report regularly and openly on our challenges, measures and progress in this area. Further up-to-date information on our measures to protect human rights and the environment can be found in the non-financial statement in our latest annual report.

Munich, December 2024

For the Management Board:

Annette Mainka
Member of the Management Board of
Nagarro SE

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