

# DECLARATION OF PRINCIPLES ON HUMAN RIGHTS AND ENVIRONMENTAL RESPONSIBILITY

## A. HUMAN RIGHTS STRATEGY

As a responsible company, RWS GmbH (hereinafter referred to as "RWS") highly values the respecting of human rights and preventing any kind of human rights violations both internally and along our supply chains. We ensure this through high standards of working conditions and respectful, appreciative interaction with one another. This is because we attach great importance to the well-being of all people involved in our business activities.

The human rights standards applied herein refer to the rights set out in the United Nations (UN) Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR) and recognized regional and national systems for the promotion and protection of human rights.

The purpose of this policy statement is to confirm our ongoing commitment to respecting human rights in the conduct of all our business activities, both in our own operations and those of our suppliers. We also aim to identify mechanisms to prevent or mitigate the implementation of our strategy to prevent human rights risks relevant to the company and thus ensure a high level of human rights protection.

This policy statement explains our activities to identify any issue that could constitute a human rights or environmental risk as defined by the Supply Chain Due Diligence Act (LKSG) and to establish systems/processes for monitoring, due diligence and training as well as communication and grievance procedures to promote and protect human rights, covering all relevant areas of RWS.

## B. SCOPE OF APPLICATION OF THIS DECLARATION OF PRINCIPLES

This policy statement applies from January 1, 2024 on.

By means of this policy statement, our management clearly positions itself to particularly respect and support compliance with the following human rights and environmental obligations:

### RWS workforce and society

Prohibition of child and forced labor, slavery and human trafficking:

We reject all forms of forced or child labor without exception and are expressly committed to the prohibition of modern slavery or human trafficking.

Equal treatment of employees and zero tolerance of discrimination:

We ensure equal opportunities and do not tolerate discrimination for example on the basis of race, gender, religion, national origin, political opinion, sexual orientation, social background, age and physical or mental characteristics.

Freedom of association and collective agreements:

We respect the right of our employees to become members of a trade union. We also support and initiate exchanges with employee representatives.

Health and safety:

Occupational health and safety is a top priority. We comply with applicable occupational health and safety laws and also ensure our own occupational health and safety standards at all our locations.

Fair working conditions and remuneration:

We ensure fair working conditions, fair remuneration and working hours in accordance with the national and international laws and guidelines applicable to our companies.

Prohibition of unlawful forced evictions and prohibition of violence by security forces.

## ENVIRONMENT:

We are committed to minimizing or reducing the impact of our business activities on the environment, conserving our natural resources and identifying solutions that help to protect our environment. We also have the same expectations of our suppliers, which are also documented in our Code of Conduct for Suppliers. We pay particular attention to the following aspects:

Protecting the environment and avoiding unlawful environmental impacts, including under the Basel Convention (on the management of hazardous substances and waste), the Minamata Convention (minimizing the release of mercury) and the Stockholm Convention (focusing on the elimination or reduction of the release of persistent organic pollutants POPs).

Prohibition of causing harmful soil change, water pollution, air pollution, harmful noise emissions or excessive water consumption, as well as any violation of human rights through environmental damage.

## SUPPLY CHAIN:

We also have this expectation towards our business partners, including our direct and indirect suppliers, that they are aware of their human rights, environmental and social responsibility and always follow basic ethical principles in accordance with this policy statement in their activities.

Our Supplier Code of Conduct, together with this Policy Statement, sets out RWS's expectations of suppliers and the entire supply chain. We ensure that all business is conducted in accordance with the Supplier Code of Conduct.

## **C. OUR DUE DILIGENCE PROCESSES FOR HUMAN RIGHTS AND ENVIRONMENTAL PROTECTION**

### Risk analysis and measures in our own business area:

RWS has set out the necessary processes in its corporate principles and guidelines to ensure adequate protection of human rights in its own business area. Employees and third parties also have access to an anonymous and fair complaints procedure. In addition, regular training is offered on the topic of dealing with relevant human rights and environmental risks.

### Risk analysis and measures in the area of business partners and along the supply chain:

We have developed and deployed a comprehensive compliance program that has been developed with special consideration of our individual risk profile, taking into account, for example, our industry, our product portfolio, our international sales to countries with an increased risk of corruption or human rights, as well as the background of our customers.

As part of the risk analysis, we have implemented strict monitoring and control mechanisms to ensure that our compliance standards and requirements are met in our day-to-day business. The supplier selection process has been adapted to ensure that potential suppliers are screened for human rights and environmental risks right from the start of new business relationships.

At the same time, we carry out regular risk analyses in order to continuously update and develop our assessment activities. As a first step, we examined all suppliers for human rights and environmental issues in an abstract risk analysis. Selected, internationally used indices were integrated for this purpose and both country and product group risks were considered. Suppliers with a resulting high overall risk are included in the concrete risk analysis and risks are determined based on their weighting and prioritization.

This continuous monitoring process has revealed that there could be potential risks in the supply chain with regard to working conditions, occupational health and safety and environmental pollution. Furthermore, there are increased risks for some suppliers due to their locations in so-called "high-risk countries".

RWS has identified selected direct suppliers and asked them to provide comprehensive self-disclosure. Suppliers with high turnover and significance were initially considered for this purpose. The supplier evaluation is carried out by means of a detailed survey with topic-related questionnaires. The core topics are environmental protection, human and labor rights, occupational safety, anti-corruption and anti-bribery as well as responsibility in the supply chain. Certificates must also be submitted and updated as required. This data forms the basis for continuous monitoring and evaluation activities as well as a corresponding risk analysis.

In order to minimize risks, further preventive and, if necessary, remedial measures have been implemented and integrated into a multi-layered process that also includes an escalation procedure. RWS will also initiate appropriate measures if substantiated knowledge of a violation of a human rights-related or environmental obligation at a direct or indirect supplier is obtained.

A well-founded decision on the continuation of the business relationship is required, particularly in the case of serious risks. RWS will reject a potential transaction even if it is legally permissible but poses an unacceptable risk to RWS's assets.

## **D. PREVENTIVE AND REMEDIAL MEASURES / COMMUNICATION**

### Complaints procedure:

The RWS integrityline, consisting of an online-based whistleblower system, is an anonymized, confidential contact point that is offered to all RWS employees as well as external parties as an additional communication channel. This allows that concerns or indications of possible violations of human rights and environmental due diligence obligations can be raised anonymously.

We investigate all reports on the basis of binding internal regulations. Each investigation is carried out independently and objectively under the direction of the Compliance department. All submissions and the respective investigations are regularly reported to the management in accordance with a defined procedure. RWS does not tolerate discrimination against anyone who reports to us via the RWS Integrityline or other communication channels.

Link: <https://rws.integrityline.com/>

### Training and awareness-raising:

We offer our employees comprehensive and varied training covering topics such as human rights, sustainability, health and safety, the environment, equal opportunities and much more. The RWS training program also includes mandatory training on our Code of Conduct as well as various other compliance training courses.

In addition, we are continuously updating and expanding our training program. This includes, for example, offering training on human rights and environmental due diligence for selected target groups.

Communication, documentation and reporting:

In the LkSG report, we report annually on our activities, progress and ambitions in all ESG areas. In it, we provide information on material risks, our measures and the progress we have made in respecting human rights and protecting the environment. To this end, we have implemented a concept for documentation that is as complete as possible to ensure traceability.

#### Remediation:

Where violations of human or environmental rights initiated or contributed to by RWS have been identified, we are committed to prioritizing and addressing these incidents based on impact and severity. This also includes endeavoring to provide appropriate remediation to those directly affected.

#### Improvement and development:

RWS will critically review its role and implementation of human rights due diligence on a regular basis and continuously develop it further. This also applies to our various internal guidelines and mechanisms relating to human rights.

### **E. RESPONSIBILITIES:**

The overall responsibility for human rights and environmental due diligence lies with the management of RWS GmbH. It includes at least the control and monitoring of LKSG-related measures. In implementing this declaration of principles, the management must inform itself regularly, at least once a year, about the work of the responsible person or persons. The Human Resources department is responsible for coordinating measures to respect human rights and fair working conditions. Processes to ensure due diligence within our supply chain are defined and developed by the Purchasing department. 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, e.g. as part of the investigation of reports of potential human rights or other relevant violations.

Our Compliance Officer was appointed Human Rights Officer as of 01.01.2024 and is supported by several departments, in particular ESG, Purchasing and Human Resources. Our Human Rights Officer is responsible for monitoring the mechanisms described in the policy statement and is always informed if a risk is identified. In high-risk cases, our Human Rights Officer also assumes an advisory role and is involved in the final decision-making process.

RWS will critically review this policy statement and its implementation on a regular basis and, if necessary, update it as required. The terms used in this document are based on the legal terms used in the Supply Chain Due Diligence Act and are congruent in terms of content.

Dirk Prehn

Christian Lutz