



Policy Statement

This policy statement serves the implementation of due diligence in accordance with § 6 Para. 2 of the German Supply Chain Due Diligence Act (LkSG). It contains regulations on how HANSA-FLEX AG aims to contribute to the respect of human rights and the environment within its own company and along the supply chain.

Introduction

Responsibility and environmental awareness have always been among the values and guiding principles of our Mission Statement. Our business activities must therefore always include respect for human rights and the environment.

As a global leading system provider in fluid technology and a value-adding partner for high-performance companies, we are aware of our responsibility towards people and the environment in our own business operations and within the supply chain. Because sustainable growth is our ultimate objective, we at HANSA-FLEX are not only interested in results, but also pay close attention to how these results are achieved. It is our corporate duty to strengthen human rights, prevent violations and protect the environment.

To this end, we are adopting this Policy Statement on Respect for Human Rights and the Environment.

Bremen, 09.08.2023



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1. Commitment to respecting human rights and the environment

We are aware of our corporate responsibility to respect human and environmental rights. We can only be successful in business in the long term if we consider the long-term impact of our actions on people and the environment. We therefore commit ourselves to respecting human rights and environmental concerns within our own business operations and in our global supply chains, to preventing or avoiding their violations, to minimising them and to enable those affected to have access to remedies.

2. International references

The foundation of our policy statement takes reference from the following international human and environmental rights standards:

- **International Covenant on Civil and Political Rights of the United Nations (UN)**
(legally binding guarantee of fundamental human rights, including the right to life, the prohibition of slavery and forced labour, the right to personal liberty and security; furthermore, among other things, equality and minority protection)
- **International Covenant on Economic, Social and Cultural Rights of the UN**
(including, among other provisions, the right to an adequate standard of living, prohibition of discrimination, health, freedom of association and the right to strike)
- **Core labour and social standards of the International Labour Organization (ILO)**
(freedom of association and the right to collective bargaining, abolition of forced labour, elimination of child labour and no discrimination in employment and occupation)
- **Minamata Convention on Mercury**
- **Stockholm Convention on Persistent Organic Pollutants**
(POPs Convention)
- **Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal**

3. Relevant human rights and environmental issues, as well as potentially affected groups of individuals

We recognise that our business activities and global supply chains have the potential to cause adverse impacts on human and environmental rights. We oppose any disregard for internationally recognised human rights and working conditions.

We particularly advocate for the following human and environmental rights:

- Ban on child labour
- Prohibition of slavery and forced labour
- Prohibition of discrimination
- Appropriate remuneration for the work performed
- Safeguarding labour rights and occupational safety
- Safeguarding the right to form a coalition, association and collective action

- Lawful deployment of private and public security forces
- Safeguarding land rights
- Protection of environmental rights

In our endeavours to respect human rights, we focus in particular on the following groups of people along our supply chain:

- Employees at national and international locations; this includes all permanent, fixed-term or temporary employees, as well as temporary workers
- Employees in the supply chain at suppliers and service providers
- Employees of joint ventures / partnerships / or similar associations

4. Expectations of our suppliers

With our standards, we oblige all employees worldwide to behave appropriately and lawfully towards colleagues, business partners and suppliers. We expect our business partners and suppliers to also commit to respecting human and environmental rights, to establishing appropriate due diligence processes and to passing these expectations on to their own suppliers.

5. Our approach to implementing human rights and environmental due diligence

Respect for human and environmental rights is an ongoing process. The implementation of specific measures is subject to constant review and further development in line with changing conditions and our business activities.

We have implemented appropriate due diligence processes and measures, with defined responsibilities, to fulfil our human rights and environmental obligations under this policy statement. The aim is responsible and sustainable management of supply chains.

5.1 Risk analysis

A key component of our due diligence is knowledge of potential and actual risks to individuals and the environment. Group-wide guidelines are used to monitor the company's business operations. Suppliers are monitored using a tool, allowing the relevant human rights and environmental risks to be identified and appropriate measures to be initiated. The analysis is updated annually and whenever there are significant changes in business activities.

5.2 Preventive and remedial measures

To fulfil our responsibility for the respect of human rights, we rely on the interplay of various preventive measures in our own business area as well as with immediate suppliers. Our primary objective is to protect those potentially affected and to identify, prevent or at least minimise adverse human and environmental impacts on them.

In the event that we, as a company, have directly caused a violation of human rights, we act swiftly to cease the offending business activities or to ensure they comply with human rights standards. If we obtain substantiated knowledge of human rights violations in our supply chain, we work with the

responsible parties, in cooperation with our business partners, to develop a corrective action plan towards remedying the infringement. Depending on the severity of the violation, we reserve the right to take appropriate action.

5.3 Complaint management

An appropriate and effective complaint management system is a key component of our due diligence processes, helping us to uncover violations within our company or supply chain and to remedy them. We take infringements of human and environmental rights seriously and have therefore set up publicly accessible and confidential reporting channels through which those affected can report actual or suspected infringements at any time. With confidentiality and under whistle-blower protection, tips and complaints can be submitted either anonymously or by name. The detailed rules of procedure can be found on our website.

5.4 Documentation and reporting

Addressing human and environmental rights issues is an ongoing process. For better organisation, information on human rights and environmental issues is disclosed as follows:

- In the LkSG report in accordance with § 10 LkSG
- In the sustainability report
- On our website

5.5 Effectiveness control

At least once a year, as well as on an event-related basis, the effectiveness of all due diligence processes is reviewed to continue to identify, prevent, eliminate or mitigate adverse human rights or environmental impacts.

6. Responsibilities for human rights and environmental due diligence

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

At the highest level of management, the board of directors is responsible for respecting human rights and the environment in our business activities as well as in the supply chain. Operational implementation and monitoring in accordance with the LkSG is carried out by the Head of Organisation, who reports to the board at least once a year.

7. Contact for questions and information

Should you have any questions regarding this policy statement or other human rights and environmental issues, please get in touch with the HANSA-FLEX Organisation Department at any time. To report a possible infringement, please use our complaints channel CrefoSupply.

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Change history

Any changes made to this document must be documented here. Please note where the changes have been incorporated.

Version	Date of change	Sections changed
A	09.08.2023	Creation of the document

** Change history: A new version must be created if there are changes to the content, e.g. changes to the process/procedure. Version A does not need to be entered in the change history.*

Translation

Please note who performed and reviewed the translation.

Version	Date of translation	Translator

** Translation: External translators can be noted with company names. Translation corrections are tracked in the 'Version' field with e.g. 'A (correction)'.*