

# SMS GROUP POLICY STATEMENT ON RESPECT FOR HUMAN RIGHTS

Version 01.2023

SMS  group





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## BASIC APPROACH AND SCOPE OF VALIDITY

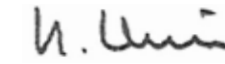
Siemag Weiss GmbH & Co. KG and its affiliated companies is committed to fulfilling its social responsibility as a globally active company and supports the implementation of internationally recognized principles relating to human rights and fair working conditions, both within the company itself and in dealings with its business partners.

**In doing so, we are guided by the following human rights frameworks and standards:**

- The United Nations Universal Declaration of Human Rights
- The Ten Principles of the UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The labor and social standards of the International Labour Organization (ILO)
- The United Nations Guiding Principles on Business and Human Rights
- The United Nations Convention on the Rights of the Child

This human rights policy statement complements our applicable Code of Conduct and provides a binding framework for all our employees. In implementing these standards, we obligate all employees worldwide to conduct themselves in an appropriate and proper manner towards colleagues and business partners.

At the same time, we expect our business partners to comply fully with the human rights set out in this policy statement. The point of reference for this is our Supplier Code of Conduct, which defines the minimum social and environmental standards to be met by our business partners.



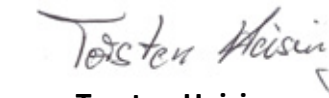
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2.0

## OUR APPROACH

2.1

### Basic principle

In order to ensure human rights are fully respected in our field of business and in our relationships with suppliers, we have laid down the following procedures for fulfilling our obligations:

2.2

### Risk management

Compliance with human rights is part of SMS group's compliance management system. This is subject to continuous review and development. With regard to respect for human rights, therefore, we have established processes to ensure compliance with human rights due diligence obligations as an integral part of our organization and our relations with our business partners.

2.3

### Risk analysis

We use an established process to identify and evaluate relevant human rights issues in our business activities and in our direct business relationships.

This analysis is updated annually and, in addition, following any significant changes in our business activities.

The results of the analysis are integrated into our corporate decision-making processes relating to the selection of suppliers, business partner management and mergers and acquisitions. The risk analysis thus forms the basis for identifying appropriate measures. Furthermore, we utilize the results as a basis for drawing up and, where applicable, adapting internal regulations, processes, and training plans.





## 2.4 Preventive measures

We regard the identification of risks and their possible consequences as well as the derivation of effective measures from this as an ongoing challenge when it comes to fulfilling our human rights due diligence obligations.

To avoid the negative impact of our actions on compliance with human rights, we educate and sensitize our employees at regular intervals.

At the same time, we evaluate our suppliers according to social and environmental criteria. An integral part of this evaluation process is our Supplier Code of Conduct.

## 2.5 Remedial measures

In the event that we, as a company, have directly caused a violation of human rights, we immediately take the necessary action to cease the business activities that led to the violation or to make them compatible with human rights and to work towards rectifying the situation. We take the relevant steps to penalize employees whose conduct violates human rights.

In the event that our business activities contribute to or indirectly relate to potential or actual human rights violations, we shall endeavor to help ensure that the competent persons or bodies redress the problem and rectify the situation in a timely and appropriate manner. If we have a reasonable suspicion or specific information regarding possible human rights violations in our company or in our value chain, we pursue the matter carefully and consistently. We undertake to support our business partners in clarifying the situation and to cooperate fully within an appropriate time frame. Depending on the severity of the violation, we reserve the right to respond appropriately to our business partners. This ranges from demanding the immediate elimination of the violation up to taking legal action or terminating the business relationship. Irrespective of this, we work towards rectifying the violation.





## 2.6 Complaint procedure

We offer our employees, customers, suppliers and other business partners the opportunity to report possible contraventions of this SMS group human rights policy statement via a secure whistleblowing system. In this way, information can be passed on anonymously, 24/7, worldwide.

You can access the whistleblowing system via our website or directly via the following link: <https://www.bkms-system.com/sms-group>

Further, employees can also confide in their supervisors or a member of the Compliance team. Customers, suppliers, and other business partners can also report possible violations directly to their relevant contact person or to the Compliance department.

All reports or substantiated suspicions of possible human rights violations are dealt with in a process that is transparent for all parties concerned. The confidentiality and anonymity of whistleblowers is assured. We guarantee, to the extent possible within our sphere of influence, that whistleblowers shall be protected against discrimination and penalization in connection with the complaints submitted by them. Our systematic handling of complaints and the insights gained from this enable us to continually improve our processes for complying with our human rights due diligence obligations.

## 2.7 Measures concerning indirect suppliers

In order to fulfill our responsibility to ensure respect for human rights, we rely on the interplay of various different measures. The aim here is to protect (potentially) affected persons and to prevent or at least minimize adverse effects on their situation with regard to human rights. For this purpose, we have established standardized processes.

Outside our company, we contractually obligate at least all of our direct business partners to respect the laws that apply in the country concerned as well as human rights and to adequately address human rights-related risks to their own business partners.

## 2.8 Duty to document and report

We document the measures that are taken to implement our described due diligence obligations.

We report annually on any significant human rights risks or on effects resulting from business activities that we identify in our global supply and value chains, and we describe the preventive and remedial measures we have implemented in this regard.



## 3.0 FUNDAMENTAL HUMAN RIGHTS

### 3.1 No child labor

We reject all forms of child labor. The minimum age for taking up employment is determined in accordance with the standards of the International Labour Organization and the requirements governing the prohibition of hazardous child labor.

### 3.2 No forced or compulsory labor

We reject all forms of forced labor, including human trafficking and slavery. Employment relationships are always based on a voluntary agreement and should be able to be terminated by the employees at any time, subject to an appropriate period of notice.

### 3.3 Fair treatment without discrimination

We reject all forms of discrimination. Employees must not be discriminated or disadvantaged on account of their gender, age, skin color, culture, ethnic origin, sexual identity, disability, religious affiliation, or opinions.

### 3.4 Fair remuneration and working hours

We stand for fair working conditions in terms of pay and working hours. The remuneration of our employees complies at least with the local industry and labor market standards and the local legal minimum wage, as well as with the terms and conditions of the collective agreements in force, where such agreements exist. The working hours are governed by the relevant national laws.

### 3.5 Freedom of association

We recognize our employees' fundamental right to freedom of association with others, to join trade unions, to appoint workers' representatives, to form a works council, and to collective bargaining.

If this fundamental right is limited by local laws, alternative options for setting up a representative body for employees that comply with the law should be promoted.

### 3.6 Occupational health and safety

The safety, health and well-being of our employees are of great importance to us. We therefore ensure standards at all our locations that guarantee a safe and healthy working environment, in order to protect the health of employees and third parties.



4.0

# ENVIRONMENTAL PROTECTION

We are committed to protecting the environment and, in connection with this, to fulfilling our responsibility to protect human health. We are aware that our actions have an effect on the environment and the climate. Consequently, we have introduced measures and business processes to minimize these effects.





## RESPONSIBILITIES

Responsibility for the enforcement of this policy statement lies with the relevant board of management of the group companies.

At the same time, all employees are personally obligated to comply with this SMS group human rights policy statement and to align their activities at work with the principles laid down therein.





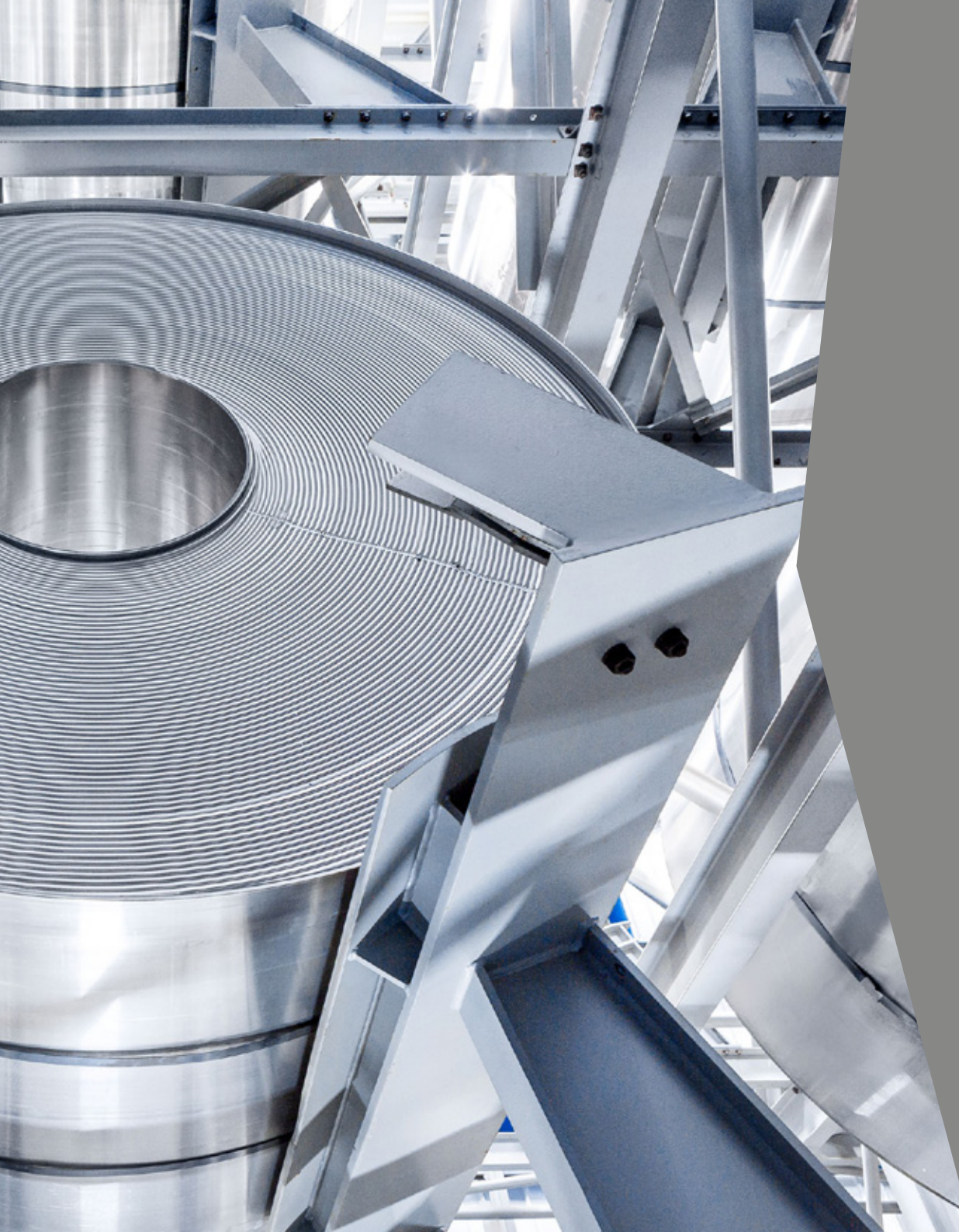
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# FURTHER DEVELOPMENT

We regard the fulfillment and implementation of our human rights due diligence obligations as a continuous improvement process. Consequently, we regularly review our policy statement and its underlying risk areas against the background of national and international developments and adapt it as required.







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