



ZSCHIMMER & SCHWARZ

STATEMENT OF THE EXECUTIVE BOARD OF THE ZSCHIMMER & SCHWARZ GROUP

OUR COMMITMENT TO RESPECT HUMAN RIGHTS

As an internationally active company in the chemical industry, the Zschimmer & Schwarz Group is aware of its responsibility towards society and the environment. Since its foundation in 1894, social commitment and sustainable action have been deeply rooted in our family business with more than 1,500 employees worldwide. We are committed to ecological and social corporate governance, which, in combination with our economic goals and actions, forms the basis for our sustainable business success. The Zschimmer & Schwarz Group is therefore committed to strengthening human rights and preventing human rights violations.

We are committed to the United Nations Global Compact and support its Ten Principles in the areas of human rights, labour standards, environmental protection and anti-corruption. As a member of the UN Global Compact Netzwerk Deutschland e. V., we are also committed to the principles of the following internationally recognised human rights frameworks and standards:

- ▶ United Nations Universal Declaration of Human Rights (UDHR)
- ▶ United Nations Guiding Principles on Business and Human Rights (UNGPR)
- ▶ Conventions and Recommendations of the International Labour Organisation (ILO) on labour and social standards
- ▶ Ten Principles of the United Nations Global Compact (UNGC)
- ▶ UN Conventions on the Rights of the Child (UNCRC)
- ▶ OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises

- ▶ Responsible Care Global Charter of the International Council of Chemical Associations
- ▶ Charter of Fundamental Rights of the European Union

MEASURES TO ENSURE HUMAN RIGHTS DUE DILIGENCE AT THE ZSCHIMMER & SCHWARZ GROUP

This declaration of principles clarifies our commitment to respecting human rights. It summarises and complements human rights aspects from other manuals, policies and procedures. Further information and measures to protect human rights are embodied in the following documents in particular:

- ▶ [Code of Conduct](#)
- ▶ [Code of Conduct for Suppliers](#)
- ▶ Compliance Manual
- ▶ Anti-Corruption Policy

In order to effectively promote the permanent implementation of human rights due diligence in the company, a training concept based on these documents is maintained at Zschimmer & Schwarz. Based on a risk-based approach, selected managers and employees receive in-person trainings, supplemented by regular web-based trainings for all employees. These trainings aim to continuously raise the awareness of our managers and employees for compliance risks and human rights violations.



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As part of our risk management, we review where there are particular risks of human rights violations in our company. Thanks to our recurring risk survey, we have identified certain areas as particularly vulnerable to human rights violations for our industry and our company:

LABOUR AND SOCIAL STANDARDS

Our employees are the focus of our sense of responsibility. After all, it is their drive and ingenuity that makes our success possible. In order to fulfil our commitment to respect the dignity of our employees and to provide a fair and safe working environment, we are currently developing a policy on labour and social standards. We aim to document in this policy our principles, which cover, among other things, the ILO (International Labour Organisation) core labour standards. At the same time, we aim to ensure compliance with the law in the countries where we operate.

SUPPLY CHAINS

As a global buyer of raw materials, we take steps to ensure that our values are respected within our supply chains. We therefore expect our suppliers and service providers to be aware of our principles of human rights protection and to ensure compliance with these social and legal standards. Zschimmer & Schwarz has therefore issued its own Code of Conduct for Suppliers, which contains minimum ethical standards that Zschimmer & Schwarz suppliers undertake to comply with.

We use fair and transparent procedures when selecting our suppliers and service providers and regularly review our existing relationships based on the risk profile and defined sustainability criteria. Violations and misconduct such as corruption, unfair competition, breaches of environmental regulations or poor working conditions are not tolerated. In these cases, we take appropriate action and will only do business with suppliers who share our human rights principles.

PROTECTION OF HEALTH AND THE ENVIRONMENT

All processes and facilities are controlled according to the highest quality standards to protect people and the environment. We are certified according to the environmental management standard ISO 14001 and have been a member of "Responsible Care", a worldwide initiative of the chemical industry, for many years. This means that we are committed to constantly improving conditions for the protection of health and the environment as well as for the safety of employees and our neighbourhood – regardless of legal requirements.

BRIBERY AND CORRUPTION

Corruption is a major obstacle to sustainable development and can have a devastating impact on the realisation of human rights. We therefore always act with integrity in all areas and do not tolerate any business that involves corruption in any form.

Trust and respect towards customers, partners and employees have always been core values at Zschimmer & Schwarz. Our compliance management system is based on the highest standards and is continuously adapted and optimised. The Compliance department coordinates the compliance programme group-wide and ensures adherence to legal requirements and internal compliance guidelines. It can be contacted anytime and ensures comprehensive communication. Our aim is to make compliance an integral part of all business processes within the framework of our corporate culture.



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REPORTING VIOLATIONS AND IRREGULARITIES

Zschimmer & Schwarz aspires to be an exemplary company in every respect. It is therefore our responsibility to ensure compliance with all applicable laws and regulations, both nationally and internationally. In order for us to meet this goal, it is important to learn about potential misconduct and to remedy it. Therefore, Zschimmer & Schwarz has set up a [whistleblowing system](#) which offers the possibility to report violations of human rights, our Code of Conduct and other guidelines as well as to provide information on violations of applicable laws and human rights conventions.

Our whistleblowing system is available to all employees of Zschimmer & Schwarz as well as customers, suppliers and other third parties. It can be accessed via our [website](#).

Violations of the Code of Conduct and failure to respect human rights will not be tolerated and will be sanctioned accordingly.

Dr Christoph Riemer

Chief Executive Officer

Dr Felix Grimm

Chief Operating Officer

Frank Richter

Chief Financial Officer