



Declaration of Human Rights Principles

Since January 1st, 2024, the Supply Chain Due Diligence Act (LkSG) passed by the German government has also applied to companies with over 1,000 employees. Since the Werner & Mertz Group employs fewer than 1,000 people in Germany, it does not fall under the scope of the LkSG. However, we have decided to voluntarily implement the requirements of the LkSG in order to make a responsible contribution to social and environmental sustainability and to ensure that ethical and environmentally friendly practices are promoted along the supply chain. For us, this is a question of attitude and a basic principle of economically sustainable action. We also expect this attitude from our business partners.

As a family-run, medium-sized company with headquarters in Mainz and a European focus market, the Werner & Mertz Group is committed to respecting human rights in accordance with the European Convention on Human Rights (ECHR). Our human rights principles are anchored in a group-wide Code of Conduct for employees, interwoven in our business processes and adapted in our strategic business orientation. For us, compliance as a matter of course is a question of attitude. We communicate this publicly on our websites.

With the following tried and tested tools, we are also pursuing the goal of appropriately addressing and responsibly managing potential human rights and environmental risks in the supply chain that could arise from our business relationships:

1. A high-level, interdisciplinary working group carries out regular risk analyses. These serve to identify potentially negative effects of our business activities in our own business area and in our supply chain. As the EU forms a single legal area that covers many areas of law relevant to the LkSG, the fact that the majority of our business partners come from the EU is an important component of our procurement strategy. In the event that risks are identified, we have developed a procedure with which we assess them and develop and address preventive and remedial measures.

As a company that handles chemical substances, we have prioritized the issues of occupational health and safety and the protection of natural resources based on the risk analysis of our own business area. We therefore set high standards in the area of





occupational health and safety in order to eliminate work-related health hazards at our production sites and counteract them within our supply chain. The preservation of natural resources is the core strategy of our business model. From ingredients and packaging to our EMAS-validated production sites in Central Europe, the company is committed to a functioning circular economy.

2. Our **supplier code of conduct** ensures that we are staying in continuous dialogue with our business partners to communicate principles relevant to us in the context of environmental and social sustainability as well as important compliance requirements.
3. We also require all suppliers for whom an increased risk has been identified to sign a **declaration of compliance**. This declaration covers all human rights and environmental risks covered by the LkSG. By signing this declaration, our business partners confirm that they comply with the provisions of the LkSG. All new suppliers must also sign the declaration of conformity as part of an extensive onboarding process and are checked for LkSG criteria.

Our **Supplier Code of Conduct** and **Declaration of Conformity** are based in particular on the following international conventions and standards:

- Principles of the United Nations (UN) Global Compact;
 - Sustainable Development Goals (SDGs) of the United Nations (UN);
 - Agreements of the International Labor Organization (ILO);
 - SA 8000 (standard for socially responsible corporate governance).
4. In order to sensitize all our employees to the requirements and processes of the LkSG and to impart the necessary expertise for the effective implementation of social and ecological due diligence processes in the relevant business areas, we carry out regular, **mandatory training and further education measures** within our company in the form of training courses on the LkSG and on topics such as sustainability, compliance, occupational safety and equal treatment. In addition, all employees are obliged to comply with our group-wide **Code of Conduct for Employees** and are sensitized accordingly.
 5. We review the **effectiveness of our measures** to prevent and mitigate adverse human rights impacts at least once a year and as required. We also monitor compliance with our requirements. We carry out risk-based audits within our company and follow up on





indications of potential human rights violations. We also regularly survey our employees and check the effectiveness of training and development measures by asking comprehension questions during training sessions or final tests. We evaluate the effectiveness of measures in our value chain by continuously analyzing risks and impacts. We conduct risk-based audits of our direct suppliers, such as document reviews, online assessments and on-site inspections. Wherever possible, we ensure that potentially affected parties or their representatives and rights holders are included in these audits.

6. All our employees and third parties can submit serious reports via our **cross-company, cross-location and cross-country complaints system** - anonymously if they wish. All reported information and substantiated suspicions are processed as part of a process that is transparent for everyone involved. The system has been publicized within the company and publicly linked on our website.
7. Violations of these principles that have occurred or are imminent will be thoroughly investigated and, if necessary, appropriate **remedial action** will be taken to prevent or end the violation. We expect close cooperation with our suppliers in the clarification and termination of relevant issues and reserve the right to take legal action and terminate the business relationship immediately in the event of serious violations.

Werner & Mertz GmbH

Signature Management Board

