

DECLARATION OF PRINCIPLES OF RESPECT

HUMAN RIGHTS AND THE ENVIRONMENT

As a globally active company and subsidiary of Saarstahl AG, DWK Drahtwerk Köln GmbH is committed to internationally recognised human rights standards and pursues a clear human rights strategy.

A central aspect of our strategy is to achieve economic success with the greatest possible respect for our fellow human beings, the environment/natural resources and through fair, legally compliant business practices.

These basic principles are already expressed in SAG's Code of Ethics, which has been in force since 2012. In 2020, we recognised SAG's Code of Conduct for Sustainable Procurement and integrated it into our processes. Saarstahl has also been a business member of the UN Global Compact of the United Nations since 2021.

In addition to the guidelines of the UN Global Compact, we are committed to all national and international standards applicable to us regarding respect for human rights and environmental protection. Compliance with the following principles forms the basis of all our business relationships with our suppliers and our employees:

- Respect for human rights, in particular the rejection of child labour, forced labour and slavery in all its forms
- Respect for occupational health and safety
- Respect for freedom of association
- Prohibition of unequal treatment in employment and in the recruitment process
- Prohibition of withholding an appropriate minimum wage determined in accordance with the applicable law
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- Prohibition of causing harmful environmental impacts that unlawfully impair the natural resources of the population
- Prohibition of unlawful eviction / withdrawal from land, forests and water resulting from commercial activities, provided their use serves the livelihood of the population

- Prohibition of hiring or using private or public untrained security forces for the protection of the business project that use torture or other forms of torture.
- use inhumane methods, impair life or limb or freedom of association
- Prohibition of the illegal handling of mercury, persistent organic pollutants and waste.

We have further developed our human rights strategy and supply chain due diligence management in line with the requirements, including the German Supply Chain Due Diligence Act (LkSG). This includes annual, risk-oriented analyses of our supply chains and internal business processes, the derivation of necessary precautionary and remedial measures, raising employee awareness and documenting all relevant processes and measures, including reporting. To this end, the relevant internal departments are continuously identified and involved in the implementation in line with requirements. The implementation of the requirements is regularly evaluated and internally audited, also on an ad hoc basis if necessary. The Compliance Committee has been commissioned by the company management to monitor LkSG risk management within the meaning of Section 4 (3) of the LkSG in its capacity as the Officer for Human Rights and Environmental Risks (BSMU).

The starting point for the supplier risk analysis is the industry and country risks. These are concretised in a predefined process. As a company in the steel industry, we may be exposed to increased risks from our suppliers in the area of raw material procurement, for example. One of the ways in which we counter these risks is by consciously selecting our business partners with regard to compliance with and respect for human rights. It is our declared aim to contractually anchor our ethical guidelines in every business relationship. If we determine that our requirements are not met, we work within our sphere of influence to ensure that suppliers recognise and implement suitable corrective measures and, if necessary, address them along their supply chain. Findings from known incidents and corrective measures taken are taken into account in supply chain management. Reports from the CSR risk check, information from the UN Global Compact and our own measures form the basis for improvement measures.

The basis of the risk analysis in our own business division is the abstract and concrete assessment of the relevant activities. The abstract assessment considers, among other things, business locations and fields, certifications in environmental and occupational safety areas, assessments by independent CSR rating companies and the SHS Group's whistleblower system, which has been established since 2020 and is publicly accessible to all stakeholders. It also takes into account the fact that all of our production processes take place within the EU. The specific assessment is a basic component of the established risk reporting process, supplemented by an LkSG component.



DRAHTWERK KÖLN

Responsibility for implementing this human rights strategy is borne by the entire company management. This tone-from-the-top approach emphasises the responsibility we want to take for respecting human rights and protecting the environment.

The implementation of supply chain management is integrated into the work processes of the responsible departments. Pursuing the human rights strategy, including analysing risks, communicating with suppliers and deriving and implementing the relevant preventive and precautionary measures, is the responsibility of the relevant purchasing and procurement departments. Other overarching tasks, such as internal and external communication, the organisation and implementation of training and awareness-raising measures and the continuous evaluation and improvement of the implemented process are carried out across all divisions. Compliance with our CSR strategy and environmental issues is reported separately in the sustainability report.

DWK - Drahtwerk Köln GmbH
Management
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