

**HUMAN RIGHTS AND
MODERN SLAVERY ACT
STATEMENT**

For the Financial Year 2023



Environment • Social • Governance

Semperit AG: Modern Slavery Act Statement 2023

Issued pursuant to Section 54 of the
Modern Slavery Act 2015



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Introduction

The UK Modern Slavery Act 2015 (the 'Act') requires businesses to state the actions they have taken during any given financial year to ensure modern slavery is not taking place in their operations and supply chains. Semperit is fully committed to playing its part in eradicating modern slavery and human trafficking and firmly advocates transparency and collaboration to eliminate related risks throughout the value chain. Semperit takes responsibility for individuals that work with and for Semperit.

This Modern Slavery Act Statement sets out the actions Semperit has taken during the financial year 2023 to ensure that its corporate activities and supply chains are free from modern slavery.

Semperit – a brief portrait

Publicly listed company Semperit AG Holding has been a global supplier of quality products made from natural and synthetic rubber or polymer materials for 200 years. The international group of companies develops, produces and markets products in over 100 countries for the Industrial and Medical Sectors.

The roots of the Semperit Group date back to 1824. At the end of 2023, the Group employed around 4,600 people. Semperit operates 16 production sites and markets its products in the B2B space through its own sales network in Europe, Asia, Africa, North and South America, and Australia. The most important product groups are hydraulic and industrial hoses, conveyor belts, escalator handrails, window and door profiles, cable car rings, ski foils and products for railway superstructures. Semperit took an important growth step with the acquisition of the internationally active Rico Group in the financial year 2023, which gave Semperit a leading technological position in liquid silicone and high-end toolmaking and expanded the portfolio in terms of products, processing technologies, automation and materials. At the end of August 2023 the Medical Sector was sold to HARPS GLOBAL PTE.

Semperit Corporate Values



We collaborate and appreciate each other no matter who we are and where we come from. We are loyal, communicate openly and respectfully. Being reliable on our actions and learning from mistakes, we build trust.



We develop smart and innovative processes and products that match our customers' needs. We add value by designing solutions – for today and the future. We encourage and embrace change.



We take responsibility and are dedicated to our tasks. We stand up for our common beliefs and have high expectations of our results. Passion drives us to make the difference



It all begins with our customers. Our thinking starts from their point of view. We listen. And we deliver upon promised solutions and products. We are strong partners – internally and externally.

Semperit's commitment to the ten principles of the UN Global Compact

The United Nations Global Compact (UNGC) is a global initiative for responsible corporate governance. The vision of the UNGC is an inclusive and sustainable global economy based on the ten universal principles. The goal of the worldwide movement of economy, politics, and civil society: to make

globalization more social and ecological. The central pillar of the UNGC is composed of the ten universal principles and supports the 17 Sustainable Development Goals (SDGs). In 2020, Semperit decided to join the network and contribute to the promotion of and compliance with these ten principles.

THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

HUMAN RIGHTS

01

Businesses should support and respect the protection of internationally proclaimed human rights.

02

Businesses should make sure that they are not complicit in human rights abuses.

WORKING STANDARDS

03

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

04

Businesses should uphold the elimination of all forms of forced and compulsory labour.

05

Businesses should uphold the effective abolition of child labour.

06

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

PROTECTION OF THE ENVIRONMENT

07

Businesses should support a precautionary approach to environmental challenges.

08

Businesses should undertake initiatives to promote greater environmental responsibility.

09

Businesses should encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10

Businesses should work against corruption in all its forms, including extortion and bribery.

Semperit and the Sustainable Development Goals (SDGs)

In 2015, the “Agenda 2030 for Sustainable Development” was adopted at the summit meeting of the United Nations (UN). All 193 member states of the United Nations committed themselves to work towards implementing Agenda 2030 with its 17 Sustainable Development Goals (SDGs) on a national, regional, and inter-

national level by 2030. Semperit has analysed the 17 sustainable development goals in terms of their significance for its business activities. The goals on which Semperit has the greatest influence are presented below.



SDG 3 **GOOD HEALTH AND WELL-BEING**

Semperit makes a significant contribution to SDG 3 on a wide variety of levels. Health and safety of employees have top priority for the company. Semperit has implemented an ISO 45001-certified management system for occupational health and safety, which protects employees from potential hazards along all processes – from the storage of raw materials and the handling of hazardous substances and chemicals to the operation of machinery. Training courses, information offers, and a raft of other services and measures are designed to prevent accidents of any kind and ensure maximum safety for employees. In addition, by producing examination and surgical gloves, Semperit contributes directly to the supply of medical products and thus to the protection of society.



SDG 12 **RESPONSIBLE CONSUMPTION AND PRODUCTION**

Semperit attaches great importance to research and development and is characterized by its high level of innovation and high-quality standards. This not only satisfies customer needs, but also makes a significant contribution to issues such as resource efficiency, the circular economy, and long product life cycles. In addition, Semperit strives to optimize the use of secondary materials to keep material waste as low as possible and the internal recycling rate as high as possible within production.



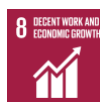
SDG 5 **GENDER EQUALITY**

Diversity and equal opportunity are important components of successful employee management. For Semperit, diversity and respect are integral and indispensable components of the corporate culture, and are taken into account when filling all positions, among other things. In 2023, Semperit made an important step towards equality by setting quantitative targets for gender distribution. This is reflected in a triple quota for women across the entire organization, in management and senior management, as well as in the signing of the UN Women's Empowerment Principles.



SDG 13 **CLIMATE ACTION**

The Semperit Group works continuously on optimizing its production processes. The associated activities aim at using resources more efficiently, promoting the use of clean and environmentally friendly technologies, and constantly promoting innovation. The focus here is on energy and emissions, material use, and avoidance of waste. The “Energy Excellence” program implemented in 2021 is dedicated exclusively to the topic of energy, with the aim of creating greater awareness and sustainably improving the energy efficiency of production processes.



SDG 8 **DECENT WORK AND ECONOMIC GROWTH**

Through long-term investments and the appropriate innovative performance, the Semperit Group promotes the local economy and contributes to regional value creation, thus creating numerous secure jobs. The health and safety of employees and respect for human rights always have top priority. Semperit attaches great importance to issues such as future-oriented work, fair pay, development opportunities, and a diverse working environment and works continuously on these issues.



SDG 16 **PEACE, JUSTICE AND STRONG INSTITUTIONS**

Integrity and compliance are the prerequisite and basis for success and sustainable cooperation. Internal compliance mechanisms ensure that there is no place for corruption and bribery. Semperit is thus consolidating its reputation as a fair and reliable business partner. In addition, Semperit constantly works to align its business relations with environmental and social criteria.

Core elements of human rights due diligence

A systematic approach is required to fulfil the corporate duty of due diligence to respect and uphold human rights. The [OECD Due Diligence Guidance for Responsible Business Conduct](#) recommends the following six steps. In line with this recommendation, Semperit

is taking measures to prevent violations and is developing appropriate activities to raise awareness and transfer information. The specific measures taken by Semperit in connection with the individual steps are listed in bold.

1. EMBEDDING AND PUBLIC COMMITMENT

Definition and anchoring of the relevant principles in the corporate policy (**Code of Conduct, policies, Modern Slavery Act Statement, confirmation of compliance with the United Nations Global Compact Principles and the UN Women Empowerment Principles, Diversity Charta, etc.**) and the management systems.

4. MONITORING

Effectiveness of measures and procedures to address negative impacts is tracked (internal and external audits [Business Social Compliance Initiative BSCI, Impactt, TfS Audits], rating and monitoring by EcoVadis, Integrity Next, etc.).

2. CO-DETERMINATION AND EVALUATION

Actual Identification and assessment of actual or potential negative impacts from direct or indirect business activities (assessment of impacts, risks and opportunities as part of the annual ESG risk process as well as traditional risk management and the Impact, Risk and Opportunity (IRO) analysis based on the European Sustainability Reporting Standards)

5. COMMUNICATION

regarding measures taken and their impact (Modern Slavery Act Statement, Sustainability Report, progress report within the context of the UNGC and the Women Empowerment principles, internal and external communication measures, etc.)

3. INTEGRATION, ELIMINATION, AVOIDANCE, OR MITIGATION

Incorporating the findings from the impact assessments obtained in step 2 into all relevant company processes and taking appropriate measures (knowledge transfer, training and awareness-raising, whistleblower hotline, employee surveys, etc.).

6. TAKING RESPONSIBILITY

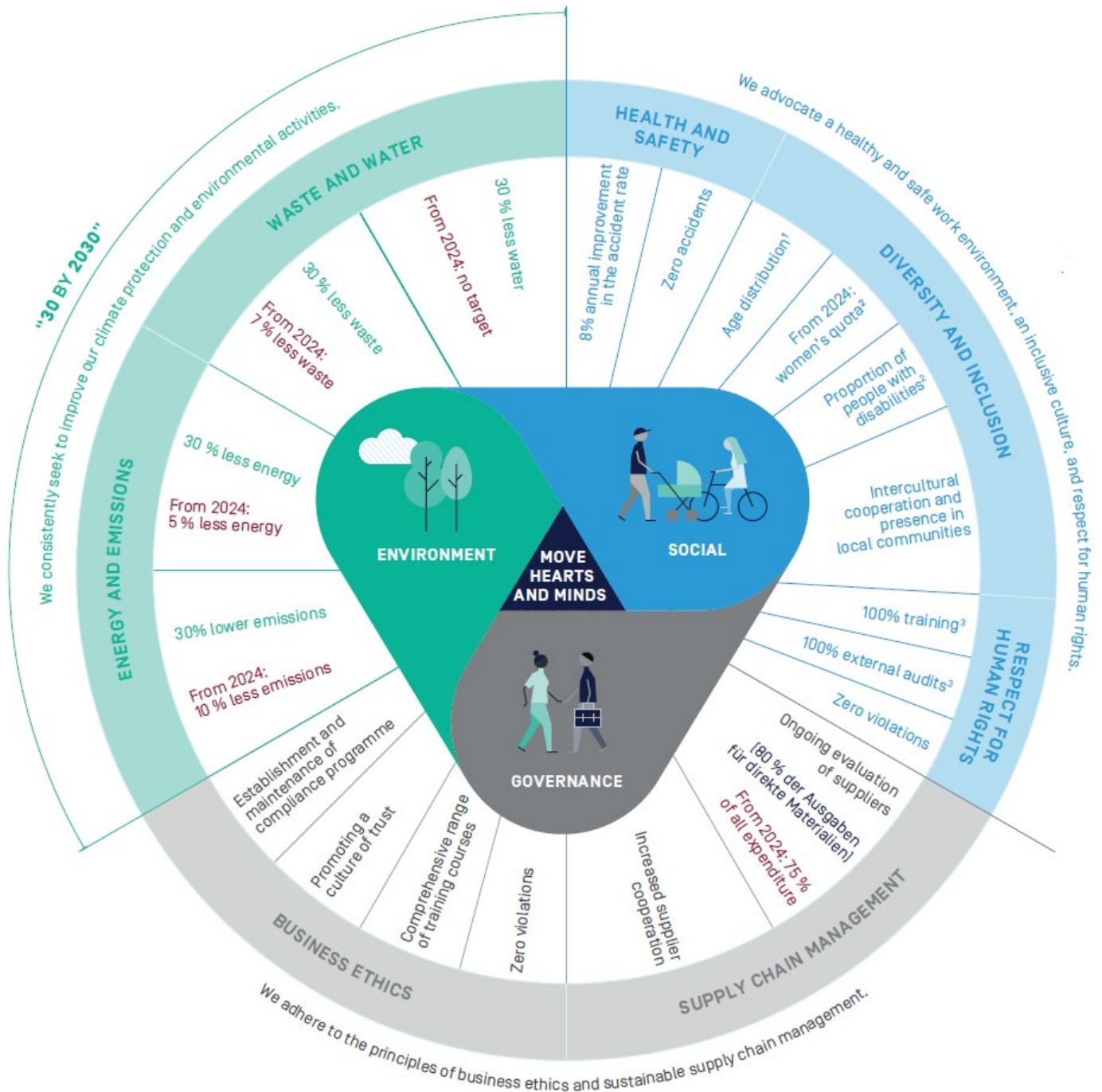
Development of or participation in remedial actions where needed (cooperating with relevant organizations and initiatives such as "Together for Sustainability").



Semperit Sustainability Strategy 2030 “Move hearts and minds”

In 2021, Semperit developed its Group-wide sustainability strategy. The Semperit Sustainability Strategy 2030 “Move hearts and minds” aims to improve existing processes with- in the framework of the current business model in order to meet the industry standard and prevent or

minimise negative environmental and social impacts as far as possible. Creating awareness and commitment is one of the most important tasks of the Sustainability Strategy 2030. The goals can only be achieved if internal and external stakeholders can be in- volved and if everyone pulls together.



While the new targets defined from 2024 in the areas of energy, waste, emissions, occupational safety and gender distribution also apply to Rico, the other targets do not.

Overview of the objectives of “Respecting Human Rights” within the framework of the sustainability strategy 2030

Measures to safeguard and respect human rights can be as wide-ranging as the various aspects of human rights (30 articles in the Human Rights Charter) and can range from risk assessments to addressing the issue proactively with measures and cooperation with partners to solve specific tasks. Here, Semperit primarily focuses on training and monitoring. In the coming years, employees working in potentially sensitive areas of human rights will be trained through e-learning courses and workshops. Managers at the headquarters and in relevant management positions at the sites will also attend these training courses. In addition to employee training, there is also a need for appropriate monitoring. Sites with a higher risk of human rights violations due to local conditions are regularly audited by external experts. In addition, a detailed analysis of compliance with minimum social standards – known as minimum protection criteria– was

carried out as part of the EU Taxonomy Regulation with the support of external experts. Among other things, it was confirmed that the guidelines – OECD Guidelines, UN Guiding Principles, Fundamental Principles of the International Labour Organization and International Bill of Human Rights (based on Article 18 of the EU Taxonomy Regulation [EU] 2020/852) – are met. With the combination of the measures described, Semperit assumes responsibility for compliance with high social standards and human rights in particular. Semperit furthermore plans to fulfil its human rights due diligence obligations in the supply chain more broadly and in-depth than previously. To this end, the company focuses on cooperation with the members of the “Together for Sustainability” initiative. This is because industry-wide synergies should be used, particularly with regard to supply chains, in order to create a sustainable impact.

Targets 2030



- 100% employees trained*
- 100% sites audited*
- Zero violations of human rights



* for employees and sites that are characterised by a relevant risk

Human rights and social standards

Semperit vehemently opposes child and forced labour and stands for fair wages as well as freedom of assembly and freedom of expression. There is zero tolerance for discrimination, harassment, and violations of minimum social protection and corporate principles, regardless of where in the value chain they occur. Information, training, and corrective actions will be used to ensure that high social standards are maintained everywhere and that human rights are respected at all times. The principles and internal guidelines of the Semperit Group for respecting human rights and for interacting with one another as well as the applicable social standards are defined in the Code of Conduct as well as in the People Policy and the Supplier Policy, which are publicly available on the Semperit website. The revised Semperit Code of Conduct was published in 2023 and is signed via the Integrity Declaration by members of management and employees. By signing the Integrity Declaration, they confirm that they have understood and acknowledge the Code and that they will duly report all possible incidents. The principles the Semperit Group apply to suppliers and other business partners. The Code of Conduct applies for employees. They are a precondition for establishing and continuing business relationships.

All business activities must be conducted in accordance with the UN Guiding Principles on Business and Human Rights and the core labour standards of the International Labour Organization (ILO), as well as in strict compliance with local laws. The Speak up platform "SemperLine", launched in 2018, ensures that reports can also be submitted anonymously. The Compliance Board must review all reports and determine appropriate measures. In addition, the company's human rights requirements are integrated in the Group-wide compliance management system to ensure compliance at all sites. Semperit's goal is to act with integrity and fairness at all times and to be perceived as an entrepreneurial role model.

Semperit stands for the protection of human rights and for compliance with the highest social standards. This is not only the core of the corporate culture but also an important component when it comes to retaining existing employees and attracting new ones. Everything is subject to change – including the requirements of employees. Factors that may have been decisive in choosing an employer in the past no longer hold the same importance today. Instead, other aspects such as flexibility and a sustainable corporate strategic focus are gaining in importance.

THE SEMPERIT PRINCIPLES



Discrimination of employees is not tolerated. Semperit provides equal opportunities.



Local laws regarding maximum acceptable **working hours** are observed.



Employees are hired based on written **employment contracts** and documented employment relationships in accordance with the law.



Care is taken to ensure appropriate and fair **remuneration** under consideration of local market conditions.



Child labour and other forms of **exploitation** of human beings are not tolerated.



The employees' right of **free formation of opinion** and expression is respected.

Awareness raising, communication and training

The education and training of all employees is an important feature on the way to fight modern slavery. In 2023, the Compliance department covered Compliance topics relevant to the whole Group. Several existing training courses were adapted and new ones introduced. Trainings and information on specific situations and issues were provided as well. Semperit introduced an annual Integrity Declaration for all employees, not restricted to Management positions. The training courses can be held either online or in the form of face-to-face events. The training course format depends on the topic, language, and attendees. Most of the courses on the list are available to Semperit employees online via the eLearning platform. The type of training courses that employees are required to complete depends on their position and operating area. Basic training courses are

mandatory for all employees. Numerous training courses have to be completed each year as a regular refresher of the course content. Training course content must be acknowledged in writing. Further down the line, employees are assigned advanced training courses and eLearning programmes based on their job responsibilities. These must be completed within a certain period of time.

The training provided are continuously expanded in terms of topics, but also in terms of available languages. The language barrier in particular must be taken into account in the area of compliance. Offering key content in the most common Semperit languages is crucial from Semperit's point of view when it comes to conveying knowledge successfully. This is the only way to subsequently ensure compliance with the guidelines and values and achieve broad involvement.

OVERVIEW OF EMPLOYEES TRAINED BY TOPIC AREA¹

TRAINING FOCUS	NUMBER						2022			2021
	Total	Female	Male	Non-binary	Undeclared	Unknown	Total	Female	Male	
Corruption and bribery	1,160	411	749	0	0	0	402	238	164	50
Antitrust and competition law	482	236	246	0	0	0	269	152	117	42
Identification and prevention of fraud	1,621	580	1,041	0	0	0	1,215	728	487	316
Export control and Due diligence of third parties	319	122	197	0	0	0	172	82	90	-
Conflicts of interest	1,413	507	906	0	0	0	974	580	394	1,398
Harassment, discrimination, bullying	1,118	399	719	0	0	0	1,576	942	634	1,388
General compliance training ²	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	170	108	62	227
Gifts, travel and entertainment ³	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	30	20	10	56
Code of Conduct	1,903	699	1,204	0	0	0	1,147	696	451	1,167
Data protection	2,111	832	1,279	0	0	0	456	272	184	1,136
Sustainable Procurement [sustainability in the supply chain] ⁴	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	149	95	54	14
Cyber security (data security)	2,450	878	1,572	0	0	0	637	375	262	923
Whistleblowing	1,750	623	1,127	0	0	0	784	461	323	-
Sustainable business (ESG)	1,138	416	722	0	0	0	765	456	309	-
Total number of trained white-collar employees	1,217	438	779	0	0	0	1,418	864	554	1,448
% of trained white-collar employees	100 %	100 %	100 %	-	-	-	81	84	79	-
Total number of trained blue-collar employees⁵	724	102	622	0	0	0	-	-	-	-
% of trained blue-collar employees	100 %	100 %	100 %	-	-	-	-	-	-	-

¹ The data includes all employees who worked for Semperit in 2023 and successfully completed compliance training, excluding employees of Sempermed Examination Gloves, the Rico Group, temporary workers and apprentices. The annual declaration of integrity is part of the Code of Conduct training from 2023 and is not reported separately.

² Merged with the Code of Conduct training in 2023.

³ Discontinued in 2023

⁴ "Sustainability in the supply chain" was replaced by the "Sustainable company (ESG)" training in 2023

⁵ The data for blue collar employees only shows the compliance training courses that are recorded in the system. Training outside the HR system is not included.

Semperit and the supply chain

A systematic process for selecting and evaluating suppliers as well as close cooperation with suppliers ensure compliance with the standards defined by Semperit. Potential sustainability risks, which generally exist in connection with supply chains and supplier management, are identified as part of the annual reassessment of ESG risks. In addition, the selection of suppliers as part of the evaluation process is based on criteria such as procurement category, geographical presence of the suppliers, and total expenditures. In addition, the internal regulations provide for a Business Partner Check for every new supplier in order to verify whether the potential partner is also authorized to do business. This risk mapping is performed prior to deciding whether to conduct evaluations or audits in order to select the suppliers that should be evaluated or audited as a matter of priority. The evaluation process involves different methods and ranges from cognizance of the Supplier Policy, self-disclosure, or an evaluation by EcoVadis to conducting audits.

Supplier Policy and Business Partner Check

The requirements that Semperit places on its suppliers in the ESG context are described in the Group-wide Supplier Policy and follow international guidelines such as the principles of the UN Global Compact, the Charter for Sustainable Development of the International Chamber of Commerce (ICC) Charter for Long-term Sustainable Development and the relevant Conventions of the United Nations International Labour Organization (ILO). Semperit expects its suppliers to comply with these standards and encourages them to take this responsibility into their respective supply chains. The Supplier Policy is sent to suppliers with a purchasing volume of over EUR 100,000 with a request for signature. In 2023, Semperit generated 54 % of its purchasing volume with suppliers who have signed the Semperit Supplier Policy, which is based on the principles and standards of the Code of Conduct (CoC), or follow their own policy, which must be at least equivalent to these standards. In addition, new and existing suppliers are subjected to a Business Partner Check by the Compliance Department in order to identify any risks in advance.



Together for Sustainability (TfS)

SDG 17 “Partnerships for the Goals” makes it clear that in some areas it takes the combined effort and collaboration of multiple stakeholders to make a big difference. With this in mind, Semperit joined the “Together for Sustainability” (TfS) initiative in 2021. More than 50 well-known and internationally active chemical companies have joined forces in this initiative with the aim of making the global supply chains of the chemical industry more sustainable. Some of Semperit’s suppliers are also taking part in this initiative. TfS evaluates the sustainability performance of suppliers with the help of expert opinions and audits and makes the results available to all members. The initiative follows the principles of the UN Global Compact and Responsible Care and proactively improves sustainable procurement in the chemical industry through the cooperation of its members. TfS is a global organization supported by regional working groups in Asia and North and South America.

TfS works closely with the EcoVadis supplier evaluation platform, which has gained importance across all industries in recent years. In addition to the supplier evaluations, TfS cooperates with recognized auditing firms and conducts on-site audits based on an audit standard developed for the chemical industry. All results, activities and developments are shared within the network with the aim of creating transparency, using synergies, and promoting sustainability at all levels. Along with the EcoVadis evaluations and TfS audits, the close links between TfS members are at the forefront of the cooperation. In addition to the step-by-step evaluation of suppliers, the aim is also to address various challenges, such as offsetting and reducing Scope 3 emissions or ensuring compliance with human rights in the supply chain, and to develop solutions together. Each member is part of a topic-based working group. Regular meetings provide a vehicle for a professional exchange of views and ensure that the high standards of the TfS initiative are maintained and that work on the various remits proceeds consistently. Consequently, being part of the TfS network not only means purposefully driving sustainability issues forward, but also being a pioneer in developing the highest standards. TfS is not “only” a label that a company pays for, or where a company can be a passive observer; rather, the member company is also required to devote human resources to it and to make a considerable contribution in terms of work to the network. This ensures continuous improvement as was demonstrated by the fact that Semperit was awarded Platinum status – the highest possible sustainability rating – by EcoVadis again in 2023. More information can be found at www.tfs-initiative.com.

ESG (environment, social and governance) risk management

In order to be able to make a statement as to where and in what form the business activities (including corresponding business relationships) and products of the Semperit Group could have an effect along the value chain, Semperit conducts an ESG (environment, social and governance) risk assessment on an annual basis. Within a comprehensive process, main risks are identified and assessed by ESG and Risk Management. In addition to potential risks, opportunities and the relevant measures

to mitigate risk and utilise opportunities are discussed and documented. The following table lists the material ESG risks identified by Semperit in 2023 that could have a potentially high negative impact on non-financial concerns in accordance with the Sustainability and Diversity Improvement Act or on Semperit's business activities. Countermeasures and possible opportunities are also listed in the overview.

MATERIAL RISKS IN SUST. REPORT 2023	OPPORTUNITIES 2023	MEASURES 2023	PRIMARY SPHERE OF ACTION 2023	NADIVEG CONCERNS 2023
Limited reaction to new ESG developments and little consideration of regulatory requirements in corporate and innovation strategy (transition risks)	<ul style="list-style-type: none"> → Environment and climate protection → flexible corporate culture and fast decision-making processes → image enhancement → employee retention → improvement of market position → responsible business partner 	<ul style="list-style-type: none"> → Linking sustainability strategy with corporate and innovation strategy → consideration and integration of ESG aspects into R&D activities → focus on current trends and requirements in the fields of decarbonisation and circular economy 	All	All NaDiVeG concerns
Changes in customer demand and preferences towards sustainable production and a green product portfolio focussed on "circularity" (transition risk)	<ul style="list-style-type: none"> → Reduced environmental impact (reduced CO₂ emissions) → competitive advantage → attractiveness for financial market → expansion of product range with innovative circular economy solutions → opening up of new markets → cost savings by application of circular economy principles in product design (longevity, reparability) 	<ul style="list-style-type: none"> → Definition of sustainability criteria in R&D → awareness raising → concentration of R&D work on circular economy opportunities → cooperation with research institutions, customers and suppliers → expansion of the product portfolio; calculation of product carbon footprint 	All	Environmental concerns
Damage to image and customers trust due to misleading "green claims" (transition risk)	<ul style="list-style-type: none"> → Competitive advantage → opening up of new markets → reputation gain by transparent communication and marketing practices 	<ul style="list-style-type: none"> → Compliance with (inter) national regulations of Green claims → Awareness raising and internal instructions for using Green claims → Development of Green claims based on product carbon footprint 	Within the company	Environmental concerns, social concerns
Lack of consideration of ecological and social criteria, such as climate-related impact or local sourcing, when selecting (critical) raw materials (transition risk)	<ul style="list-style-type: none"> → Environmental awareness (e.g. in case of local sourcing) → competitive advantage → attractiveness for financial market → expansion of product range → opening up of new markets → reputation gain by supporting suppliers in improving their sustainability performance 	<ul style="list-style-type: none"> → Definition of sustainability criteria in purchasing → increased R&D activities → establishment of ecological criteria in product design → awareness raising → cooperation with suppliers via EcoVadis and TFS, customers and other organizations → development of a product carbon footprint model 	All	All NaDiVeG concerns
Lack of attractiveness for the sustainable financial market (transition risks)	<ul style="list-style-type: none"> → Access to sustainably oriented finance flows → competitive advantage → image enhancement → improvement of (sustainability) ratings → transparent reporting of business activities via EU taxonomy 	<ul style="list-style-type: none"> → ESG-based financing facility → Implementation of requirements under the EU Taxonomy → audited Sustainability Report → measures to achieve Groupwide sustainability goals → ESG rating; → certifications 	Within the company	Environmental concerns, social concerns, employee concerns

<p>Increase in national and international ESG regulations relating to water/air/soil pollution, waste (disposal of non-/hazardous waste), recycling, biodiversity etc. and thus changing market requirements in the context of combating climate change (transition risk)</p>	<ul style="list-style-type: none"> → Environmental and climate protection → social impact → increase in resource efficiency → cost benefit → image enhancement → improvement of market position 	<ul style="list-style-type: none"> → Continuous improvement of data → collection and management → awareness raising and training → sustainability management aligned with ESG regulations → calculation of corporate carbon footprint → efficiency in material use → sustainable waste management system and recycling processes → ISO 14001, ISO 9001, ISO 50001 	<p>All</p>	<p>Environmental concerns, social concerns, employee concerns</p>
<p>Increase in climate change related physical risks such as water stress (water scarcity) and flooding which require technical and construction adaptations on some production sites (physical risk)</p>	<ul style="list-style-type: none"> → Environmental and climate protection → cost benefit 	<ul style="list-style-type: none"> → Projects for efficient water use → sustainable water management → technical upgrading of infrastructure → awareness raising 	<p>Within the company</p>	<p>Environmental concerns, social concerns, employee concerns</p>
<p>(Financial) sanctions and reputational issues due to violation of human rights as well as along the entire value chain; especially in relation to working conditions (non-compliance with legally prescribed working hours and wages; health and safety etc.), working time, gender equality, discrimination on ethnic or cultural origin, disability equality act; freedom of association and involvement of representative bodies; child/forced labor.</p>	<ul style="list-style-type: none"> → Respect for human rights and improvement of the living conditions of vulnerable groups → image enhancement → improvement of market position → responsible business partner → employee retention 	<ul style="list-style-type: none"> → Code of Conduct, People Policy → supplier guideline → internal and external audits → external social audits at sites with identified human rights risk (Medical business) → increased cooperation with suppliers and customers → TFS audits of suppliers → internal instruction and training → creation of transparency → increased employee communication → employee survey, establishment and monitoring of various grievance mechanisms such as SemperLine → freedom of assembly and speech → works council establishment and active cooperation → information transparency, communication during periods of instability 	<p>Upstream, within the company</p>	<p>Respect for human rights, social concerns, employee concerns</p>
<p>Reputational issues due to layoffs during periods of economic instability or labor strikes (transition risk)</p>	<ul style="list-style-type: none"> → Image enhancement in the labor market → employee retention → competence development → talent development → cost savings through internal expertise instead of external consultancy 	<ul style="list-style-type: none"> → Skills development as part of the corporate strategy → training and education for all employees → talent academy → job rotation programs 	<p>Within the company</p>	<p>Respect for human rights, social concerns, employee concerns</p>
<p>Lack of expertise of employees due to missing skill development and trainings (transition risk)</p>	<ul style="list-style-type: none"> → Image enhancement in the labor market → employee retention → increased attractiveness for skilled workers → competence development → talent development 	<ul style="list-style-type: none"> → Clear positioning of the company in the area of ESG → development of non-financial compensation opportunities and offerings → creation of transparency → integration of ESG targets into employee incentive programs → diversity & inclusion strategy → ESG awareness campaigns and trainings 	<p>Within the company</p>	<p>Social concerns, environmental concerns, employee concerns</p>

Lack of activities to promote a trusting corporate culture and lack of protection for whistleblowers (transition risk)	<ul style="list-style-type: none"> → Image enhancement in the labour market → improvement of market position → responsible business partner 	<ul style="list-style-type: none"> → Increase in internal communication efforts → establishment of various, also secured anonymous complaint mechanisms (SemperLine) → Code of Conduct, People Policy → supplier guideline → improvement of the Compliance Management Systems → transparent communication, training and education 	Within the company	Social concerns, employee concerns
Loss of competitive advantage due to carbon-cutting measures such as CO₂ tax or CBAM (Carbon Border Adjustment Mechanism) (transition risk)	<ul style="list-style-type: none"> → Climate protection → employee retention → image enhancement → improvement of market position → cost benefit 	<ul style="list-style-type: none"> → Setting climate targets → increasing energy efficiency → promoting decarbonisation → switching to alternative energy systems (installing PV systems) → R&D projects focusing on the reduction of CO₂ emissions 	Within the company	Environmental concerns
Little consideration of the potential impact of geopolitical unrest on ESG-relevant issues especially in terms of volatility in global energy supply and pricing which cause operational and financial risk for production sites (transition risk)	<ul style="list-style-type: none"> → Security of energy supply → image enhancement → cost benefit → stable and long-term supplier relationships → responsible business partner 	<ul style="list-style-type: none"> → Continuous switch to alternative energy supply systems (electrification, PV systems) → energy efficiency strategy and targets → Energy Excellence program → business partner checks → supplier checks → switch to alternative delivery options 	All	All NaDiVeG concerns
Lack of commitment and dedication to achieving the Group-wide sustainability goals (transition risk)	<ul style="list-style-type: none"> → Environment and climate protection → employee retention → increased attractiveness for (key) personnel → image enhancement → improvement of market position 	<ul style="list-style-type: none"> → integration of ESG targets into employee incentive programs → clear and transparent targets → consideration of objectives in investment decisions → training and education → increased employee communication 	All	All NaDiVeG concerns
Accident and health risks and impact on employees' well-being especially caused by changing temperatures due to climate change (physical risk)	<ul style="list-style-type: none"> → Attractive and responsible employer → employee motivation due to improved health conditions of employees → image enhancement 	<ul style="list-style-type: none"> → HSEQ Policy → ISO 45001 → ISO 9001 → personal protective equipment, automatization and robotics used in production → improvement of building and infrastructure standards → broad provision of training and information → raising employee awareness 	Within the company	Environmental concerns, employee concerns, social concerns
(Financial) sanctions due to corruption and non-compliance with laws (transition risk)	<ul style="list-style-type: none"> → Industry role model → image enhancement → responsible business partner → competitive advantage 	<ul style="list-style-type: none"> → Code of Conduct → Compliance Management System → capital market compliance, Compliance Board → whistleblower hotline → policies → training and instruction → value system 	All	Fight against corruption
(Financial) sanctions/complaints or reputational issues due to noise and odor pollution or damage to the health of local residents caused by production processes (physical risk)	<ul style="list-style-type: none"> → Environmental and climate protection → reputation gains through regular stakeholder dialogues and inclusion of the interests of affected stakeholders 	<ul style="list-style-type: none"> → Grievance mechanism and whistleblower hotline → regular stakeholder dialogues with neighbors and local residents → awareness raising → infrastructure optimization 	All	Social concerns, environmental concerns

Semperit compliance policies dealing with human rights

Semperit informs all its counterparts about integrity in business. Agents, customers, suppliers and other partners are re- minded about ethical business through our publicly available internal policies. All suppliers are required to comply with the Semperit Sup- plier Policy, which summarises the core values, principles, and standards for suppliers concerning the production and de- livery of goods and services according to recognised, glob- ally applicable principles. Semperit encourages its business partners to communicate these guidelines to their employees as well as to their suppliers. Customers are asked to get acquainted with the Code of Conduct. The principles of the Code of Conduct are applicable to all our business partners. Furthermore, business partners should share their efforts in the fight against corruption, bribery, in respecting human rights and labour standards, and in business integrity and ethics. With sharing the Code of Conduct they are informed about the Speak up system [SemperLine](#). Business partners are required to comply with Semperit’s Principles of Code of Conduct and the Supplier Policy, which require them to:

- Provide employees with good working conditions, fair treatment and reasonable rates of pay;

- Respect workers’ human rights and labour standards and comply fully with all applicable laws;
- Implement safety, health, and environment standards;
- Ensure transparency in the supply chain;
- Act with business integrity and ethics;
- Comply with local and international anti-corruption and bribery laws;
- Commit to data protection and privacy.

Mitigation of corruption risks in value chains is important to Semperit. Corruption enables flourishing environment for modern slavery and modern slavery allows corruption to thrive. Semperit has “zero tolerance” for bribery and corruption. Consistent and robust efforts are taken to eliminate corruption, including comprehensive ongoing training for staff, transparency in business, and effective internal controls.

Anyone, including suppliers and customers, can report any wrongdoing on the publicly available Speak up platform SemperLine. Semperit is fully engaged in preventing and fighting against human rights abuse both inside the organization and inside its business partners’ organizations

The following documents contain the main requirements, both for internal employees and for Semperit business partners:

Documents published on Semperit website



Semperit People Policy

Semperit Supplier Policy

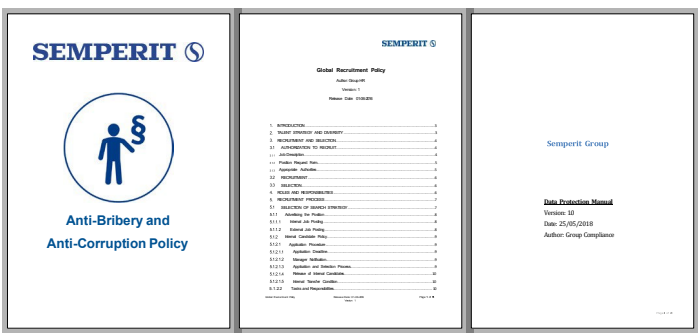
Semperit Sustainability Innovation Policy

Semperit Health & Safety, Environment, Energy and Quality Policy

Guideline for the Speak up system “SemperLine”

Code of Business Conduct

Internal documents



Anti-Bribery and Anti-Corruption Policy

Global Recruitment Policy

Privacy Policy

Ethics and integrity in business

The [Semperit Code of Conduct](#) guides employees in their daily business and specifies, clearly and simply, what is expected of them and external business partners and how leaders behave in return.

It serves as a foundation for Semperit policies, procedures and guidelines which provide additional guidance on expected behaviours working across our businesses globally.

Words, behaviours and actions matter.

Misconduct of any business and of any kind will not be tolerated and Semperit expects all our stakeholders to adhere to national and international laws and act according to comparable guidelines, ethics and compliance principles.

Semperit is committed to integrity.

It is everyone's responsibility to understand the rules of this Code of Conduct and to comply with them in the course of business activities for Semperit. The Code of Conduct is available online, for further information you can contact compliance@semperitgroup.com.

The Semperit Speak up system enables anyone to report wrongdoing through different channels. Employees can post a letter using SEMPERbox, which is located in production sites, email compliance@semperitgroup.com or get in touch via the online platform "SemperLine". In addition to that, employees can also directly contact their line manager or supervisor, HR, global compliance department or local compliance coordinators.

SemperLine is a special communication platform that is managed by an external partner and guarantees that the information provided will be processed securely and confidentially. [SemperLine](#) is available 24/7 in different languages to anybody and therefore plays an active role in ensuring proper conduct within the Semperit Group. Semperit protects anyone who speaks up in good faith from any retaliation measures, including informal pressure.

If anyone is aware or has knowledge of any form of harassment, bullying, discrimination, malpractice, corruption, fraud, waste, abuse, misconduct or allegations of mismanagement they can [contact us!](#)



Business Partner Check due diligence process

Semperit is part of a complex network of various types of business partners – from suppliers to agents and customers.

Semperit is aware of the regulatory and reputational risks to which a supplier, customer, partner or other third party can expose the company to. To prevent any risks from contracting with business partners that are subject of human rights breach, modern slavery, corruption, bribery and/or any other international provisions, Semperit has a standardized Business Partner Check (BPC) in place. It enables Semperit to manage business partner relationships and associated risks effectively. This third party risk management and due diligence platform creates transparency, minimizes compliance risks and supports the company in making informed decisions. Semperit performs background checks in the BPC tool, which provide the required information on the business partner and offer the possibility to engage business partners' responsibility by answering external due diligence questionnaires.

The Semperit Business Partner Check includes a background check, screening, and monitoring of the supplier, customer, sales agent or other third party, and – if applicable – end-user (including its shareholders/beneficial owners) within the following areas:

- bribery and corruption,
- sanctions exposure,
- modern slavery and supply chain integrity,
- adverse media, and
- status of the company and owners and relationship with potential risk counterparts for managing reputational risk.

Continuous and periodical checks with a comprehensive risk-based approach supports Semperit in identifying risks and enables the company to increase in the level of due diligence and mitigating actions. The tool also enables the documentation of decision making and due diligence conducted.

Initial check

New business partner



Periodical review

Checked business partners



- Alerts are automatically set in case of a status change.
- Business and Finance has to review the existing alerts on a monthly basis.

- Manual review minimum every 36 months.
- Including existing business partners in the BPC tool.
- Group Compliance may propose a shorter review period for selected business partners.

Definition of terms

Topic area	Major risks
Slavery	The status or condition of a person over whom all or any of the powers attached to the right of ownership are exercised. Since legal 'ownership' of a person is not possible, the key element of slavery is the behaviour on the part of the offender as if he/ she did own the person, which deprives the victim of their freedom. (in accordance with the 1926 Slavery Convention)
Servitude	The obligation to provide services that is imposed using coercion and includes the obligation for a 'serf' to live on another person's property and the impossibility of changing his or her condition.
Forced or Compulsory Labour	It involves coercion, either direct threats of violence or more subtle forms of compulsion. The key elements are that work, or service is exacted from any person under the menace of any penalty and for which the person has not offered him/her self voluntarily. (ILO's Forced Labour Convention 29 and Protocol)
Human Trafficking	An offence of human trafficking requires that a person arranges or facilitates the travel of another person with a view to that person being exploited. The offence can be committed even where the victim consents to the travel. This reflects the fact that a victim may be deceived by the promise of a better life or job or may be a child who is influenced to travel by an adult. In addition, the exploitation of the potential victim does not need to have taken place for the offence to be committed. It means that the arranging or facilitating of the movement of the individual was with a view to exploiting them for sexual exploitation or non-sexual exploitation.
Exploitation	A person is exploited only if one or more of the following subsections apply in relation to the person: slavery, servitude and forced or compulsory labour; sexual exploitation; removal of organs etc. while securing these services etc. by force, threats or deceptions or securing services etc. from children and vulnerable persons.
Child Labour	Children below 12 years working in any economic activities, those aged 12 – 14 engaged in more than light work, and all children engaged in the worst forms of child labour (ILO). The work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. Whether or not particular forms of "work" can be called "child labour" depends on the child's age, the type and hours of work performed, the conditions under which it is performed, and the objectives pursued by individual countries. As children are vulnerable to exploitation, Semperit will analyse if the children in question are being exploited in such a way as to constitute slavery, servitude and forced or compulsory labour or human trafficking. For example, it is possible for children to undertake some 'light work' which would not necessarily constitute modern slavery. 'Light work' is defined by article 7 of ILO Convention No. 138.
Bonded Labour	Bonded labour, also known as debt bondage or peonage, happens when people give themselves into slavery as security against a loan or when they inherit a debt from a relative. It can be made to look like an employment agreement, however, where the worker starts with a debt to repay – usually in brutal conditions – only to find that repayment of the loan is impossible. Then, their enslavement becomes permanent.

Topic area	Major risks
Corruption	Corruption is the deliberate abuse of entrusted power for private gain. It includes any unlawful, unethical, or improper action or breach of trust undertaken for the purpose of personal, commercial, or financial gain. Corruption includes activities such as: bribery, embezzlement, antitrust violations, influence peddling, cronyism, nepotism, graft and others. <i>“Bribery is a criminal and corrupt practice where an entity offers something of value to a corporate or public official in exchange for their cooperation in influencing a decision-making process, committing or allowing fraud against the official’s organization, or otherwise violating their official duties”</i> (GAN Integrity). Corruption reduces chances for ethical business, violates human rights and freedom, and erodes company’s reputation. Semperit has a strict zero tolerance for bribery, facilitation payments, and corruption in any form, whether direct or through third parties.
Bribery	Bribery is a criminal and corrupt practice. It occurs when a person offers something of value to another person in order to receive something in return. Employees of Semperit or their counterparts must never offer, pay, make, seek or accept a benefit (not even a minor one) in exchange for the performance or omission of an act, a favourable treatment or personal gain. It is strictly prohibited to offer, pay, make, seek or accept cash payments or small bribes [facilitation payments that speed up a routine process or necessary actions].
Third-Party Risk Management	<i>“Organizations must be aware of the regulatory and reputational risks to which a supplier, customer, partner or other third party can expose them to”</i> [Dow Jones]. With policies in place and regular, periodical checks, Semperit ensures the third parties we work with are conducting business legally and ethically. Semperit business partners are checked for bribery and corruption risks, sanctions exposure, modern slavery, and supply chain integrity among others. These important checks prevent damage to Semperit’s reputation, possible loss of order, termination of business relations or even freezing of assets as a result of impending legal action.
Whistleblowing	<i>“Whistleblowing is one of the most effective ways to detect and prevent corruption and other malpractice. A whistleblower discloses information about corruption or other wrongdoing being committed in or by an organisation to individuals or entities believed to be able to effect action – the organisation itself, the relevant authorities, or the public. Protecting whistleblowers from unfair treatment, including retaliation, discrimination or disadvantage, can embolden people to report wrongdoing and increase the likelihood that wrongdoing is uncovered and penalised”</i> [Transparency International]. Semperit has a whistleblowing system in place called Speak up!. Anyone can report harassment, bullying, discrimination, malpractice, corruption, fraud, waste, abuse, misconduct or allegations of mismanagement. Semperit handles reported cases with the utmost care, preserving confidentiality and if requested, anonymity. Reports can be made in numerous languages via the online system SemperLine, by dropping a physical letter into a SEMPERbox located in production sites, or via the Compliance email compliance@semperitgroup.com . Semperit protects anyone who speaks up in good faith, from any retaliation measures including informal pressure.

The Executive Board Semperit AG Holding

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