

Principles of compliance with human rights and environmental due diligence requirements of thyssenkrupp rothe erde Germany GmbH

2024



In our publications we seek to use gender-inclusive language.

To make sure that texts read and flow consistently well we use gender-neutral language where possible in order to ensure that all genders are addressed.

If we speak of the thyssenkrupp Group or thyssenkrupp we mean thyssenkrupp AG and all group companies in and outside Germany affiliated with it within the meaning of §§ 15 ff. AktG. They are usually all companies in which thyssenkrupp AG holds the majority of voting rights either directly or indirectly. thyssenkrupp AG has published its own policy statement which applies to the entire thyssenkrupp Group.

Where we refer only to thyssenkrupp rothe erde, without reference to the corporate form or to "our" local companies, we mean thyssenkrupp rothe erde Germany GmbH and all domestic and foreign companies as well as legally dependent operating parts of other companies of the thyssenkrupp Group combined with it in the "Rothe Erde" business unit.

Preface

thyssenkrupp and thyssenkrupp rothe erde Germany GmbH are committed to the highest sustainability standards, which encompass good corporate governance and environmental and social responsibility. As an international industrial and technology company we source raw materials, goods and services worldwide.

For us, the focus is on people. This applies equally to everyone - both our own employees and our suppliers.

At thyssenkrupp we have created a Groupwide compass in our mission statement to guide our actions and behavior. Our fundamental values naturally included respect for human rights and basic environmental standards.

Our values such as personal responsibility, openness and transparency, as well as conduct that complies with the law and is ethically correct at all times, play an important role in this.

Our understanding of human rights and environmental due diligence at thyssenkrupp rothe erde

As part of the thyssenkrupp Group, we comply with all applicable laws, regulations and standards in the countries in which we operate and expect our suppliers to do the same. Where national laws contain more comprehensive regulations than those applicable at thyssenkrupp and thyssenkrupp rothe erde, national law takes precedence. We expect both our local companies and executives, management members and other employees and our suppliers to comply with the principles of the United Nations Global Compact, the United Nations International Bill of Human Rights, the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights, and the core labor standards of the International Labor Organization (ILO). Our other human rights and environmental expectations are also to be noted and observed by all our employees as well as our suppliers:

- **Child labour:** Compliance with the prohibition and refraining from all forms of child labour;
- **Discrimination:** Ensuring a work environment free from discrimination on the basis of gender, colour, religion, nationality, political or other opinion, ethnic origin, disability, age, sexual orientation and identity or any other characteristic;
- **Forced labour:** rejection of any form of forced or compulsory labour, slavery or trafficking in human beings;
- **Freedom of association:** the right to form workers' representative bodies and to strike and bargain collectively;
- **Remuneration and working hours:** Compliance with applicable national legislation on working hours, remuneration, minimum income and social benefits or ILO international standards in the absence of national regulations;
- **External personnel:** Irrespective of the type of contract, the applicable national law is observed in the deployment of external personnel in contractual and labour relations. External personnel must be sensitized and monitored through appropriate measures, particularly with regard to human rights risks;
- **Occupational health and safety:** Establish and apply appropriate occupational health and safety management to best prevent accidents and work-related illnesses;
- **Protection of freedom of expression, personal rights and privacy;**
- **No harmful soil alteration, water pollution, air pollution, harmful noise emission or excessive water consumption** likely to have a significant adverse effect on protected rights and legal assets;
- **No unlawful appropriation of land, forests and waters**, the use of which secures the livelihood of people;
- **No violation of environmental obligations¹** resulting from either the use, storage, transboundary movement or disposal of mercury (compounds), persistent organic substances or hazardous waste.

Our approach to human rights and environmental due diligence

thyssenkrupp and thyssenkrupp rothe erde have developed a Groupwide concept and corresponding organizational structure to create a sustainable culture for compliance with human rights and environmental due diligence obligations.

This is ensured by the interdisciplinary cooperation of various departments, which are responsible for implementing due diligence in our Own Business Area or in our supply chain with further experts. This integrated approach is also reflected in the responsibilities of our members of the management for human rights and environmental protection.

The responsible officers of thyssenkrupp rothe erde manage the implementation of the approach to human rights and environmental due diligence in thyssenkrupp rothe erde. The responsible persons in charge of thyssenkrupp rothe erde report directly to the management of thyssenkrupp rothe erde and continuously coordinates with the SCA Council Group.

¹ Comply with the Stockholm Convention on Persistent Organic Pollutants, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the Minamata Convention on Mercury.

The SCA Council Group steers the implementation of the concept for compliance with human rights and environmental due diligence obligations in the thyssenkrupp Group. This body meets regularly and as required. The SCA Council Group is coordinated by the SCA Officer Group, who acts as spokesperson for the SCA Council Group and reports directly to the Executive Board of the thyssenkrupp Group. The SCA Council Group includes various group functions, departments and representatives from the segments of the thyssenkrupp Group as members.

In addition, there is a regular groupwide exchange between the SCA Council Group and experts and managers from the segments.

The Group Function Legal & Compliance is responsible for the legally required monitoring of risk management at thyssenkrupp AG. The Group General Counsel and Chief Compliance Officer has been appointed to perform these tasks. Monitoring of the risk management at thyssenkrupp rothe erde Germany GmbH lies within the compliance function for which the Chief Financial Officer is responsible.

Our strategy: Working together for human rights and environmental protection

thyssenkrupp and thyssenkrupp rothe erde work continuously to analyze the human rights and environmental impacts of our business activities in order to minimize potential risks and prevent them from occurring. To this end thyssenkrupp has created a Groupwide concept for compliance with human rights and environmental due diligence obligations which is characterized by an integrated and interdisciplinary risk management system comprising risk analyses, processes for preventive and remedial action, the definition of responsibilities, the issuing of a policy statement, the maintenance of a complaints procedure, and documentation and reporting. This system is also used by thyssenkrupp rothe erde to comply with human rights and environmental due diligence obligations.

The main components of the thyssenkrupp concept for compliance with human rights and environmental due diligence obligations are regulated, among other things, in :

- thyssenkrupp Code of Conduct (CoC);
- thyssenkrupp Supplier of Code of Conduct (SCoC);
- International Framework Agreement (IFA);
- thyssenkrupp standards and regulations for health and safety in the workplace;
- thyssenkrupp standards and regulations for the environment and energy.

We have implemented this risk management system as part of the thyssenkrupp Group. It consists of several elements, in particular:

1. A central risk analysis for the Own Business Area as well as for the supply chain, in which risks are assessed on the basis of groupwide sustainability criteria relating to human rights, occupational health and safety and environmental protection ("SCA risk areas"),
2. the operational implementation of measures designed to minimize or eliminate identified risks, and
3. a barrier-free, publicly accessible complaints procedure for reporting possible misconduct.

SCA risk fields

- Human rights:
- Occupational health and safety
- Environmental protection:

SCA individual risks

Child labour; Forced labour; Discrimination in the workplace; Freedom of association; remuneration and working hours; land theft; outsourced labour; contamination; protection of discrimination; protection of freedom of expression, personal rights and privacy.

particularly due to obviously inadequate safety standards, lack of appropriate protective measures and of protective equipment; lack of measures to prevent fatigue, inadequate training of employees.

Use / storage / disposal of chemicals and waste; generation of emissions and consumption of energy and water.

With our multi-level approach we have implemented uniform minimum standards as part of the thyssenkrupp Group which we can apply and expand at thyssenkrupp rothe erde in a targeted way to minimize risk.

Our risk analysis is updated continuously and at least annually. Furthermore, we conduct a new risk analysis as required (e.g. in the event of a change in the risk situation). The same applies to the risk management system, which we continuously develop and whose effectiveness is regularly reviewed.

In addition to controlling and coordinating the monitoring of the relevant risks, the responsible persons of thyssenkrupp rothe erde regularly reports to the management of thyssenkrupp rothe erde on the risk management system and the results of the risk analysis performed.

In our own Business: How we conduct ourselves in thyssenkrupp rothe erde

Risk analysis in Own Business Area

We include in our Own Business operations all our activities in Germany and abroad that are carried out for the manufacture and exploitation of products and the provision of services.

The basis of the risk analysis in the Own Business Area is the annual self-assessment of thyssenkrupp rothe erde on compliance with protected human rights and environmental rights and legal assets, the contents of which are specified uniformly by the SCA Council Group of thyssenkrupp AG and made available to the thyssenkrupp Group companies.

The results are evaluated as part of the risk analysis, reviewed and summarized in a risk score. In addition to the risks identified as part of the self-assessment, further data sources (for example, from prevention and remedial measures) may be taken into account in the risk calculation.

The results are evaluated, aggregated and consolidated centrally and assessed for risks in the SCA Council Group of thyssenkrupp AG and the responsible persons of thyssenkrupp rothe erde. Risks identified are mitigated through measures by the group companies. According to the results of the risk analysis in the Own Business Area, no risks have been identified that need to be prioritized.

thyssenkrupp has created long-established processes in the Group which address the threat to human rights and environmental rights and legal assets. For example:

- an organization: for co-determination, the Sustainability Council, the International Committee for the International Framework Agreement (IFA), and the Occupational Safety and Health (OSH) Council;
- programs / processes: the International Framework Agreement, collective agreements, the worldwide energy efficiency program GEEP (Groupwide Energy Efficiency Program) program for the development and

- implementation of energy saving measures, certified management systems according to ISO 14001 and ISO 50001, “we care Days”;
- tools: whistleblowing tools (for compliance, for the IFA) and other internal tools to prevent violations of protected rights and legal assets.

Preventive and remedial measures in Own Business Area

As part of the thyssenkrupp Group we have implemented a large number of preventive measures in our Own Business Area to prevent or minimize human rights or environmental risks, also in consideration of the risks identified.

In addition to the implemented rules and groupwide standards, various other measures are being implemented in the companies.

Insofar as a possible violation of human rights and environmental rights and legal assets is imminent or has occurred, the respective remediation process must be triggered. This is ensured by implementing the remedial action process within the reporting procedures established at thyssenkrupp rothe erde.

If an imminent or actual violation of a human rights-related or environmental obligation is identified, our portfolio of measures includes ad-hoc measures to prevent or end the violation. This also includes informing and involving key departments, the responsible persons or bodies of the respective company, up to and including the responsible persons of thyssenkrupp rothe erde, as well as a root cause analysis and a final effectiveness review.

Together with our partners: Identifying and avoiding risks

Risk analysis of our suppliers

Based on the individual SCA risks, we subject our direct suppliers to a basic risk analysis and identify their risk potential in relation to our "SCA risk areas". In addition to a varying weighting of individual SCA risks, our ongoing risk analysis takes into account, among other things, external risk indices, the location and industry of the suppliers, the scope of business activity (purchasing volume), the type of goods supplied and the severity and (ir-)reversibility of potential events into account in our ongoing risk analysis.

Based on the results of the risk analysis for specific suppliers, an SCA risk category is defined for each supplier. We use this SCA risk category as the basis for taking suitable preventive measures in order to mitigate the supplier's risk. Prioritization is based on the identified risk, our causal contribution to the human rights or environmental risk or to the violation of a human rights or environmental obligation, the degree of our influence and taking into account the characteristics of the respective business. Findings relating to indirect suppliers are incorporated into our risk analysis on an ad hoc basis.

Preventive and remedial measures in respect of our suppliers

Based on the SCA risk areas and individual risks of the risk analysis, thyssenkrupp has developed an appropriate catalog of measures. These measures allow us to mitigate the risk of potential violations of human rights and environmental rights and legal assets at our suppliers. We understand appropriate measures here to also mean that the risks identified as part of the properly conducted risk analysis are recognizable and that reasonable measures are implemented accordingly.

Our preventive measures include, for example, the acknowledgment of the thyssenkrupp Supplier Code of Conduct and conducting supplier training courses.

We expect all our suppliers to acknowledge of the thyssenkrupp Supplier Code of Conduct and to meet the expectations stated therein. We expect suppliers that have been identified as having a heightened risk potential to provide contractual assurances that our human rights and environmental expectations are complied with and agree individual prevention and remedial measures, such as supplier audits.

If any violations of a human rights or environmental requirements at a direct or indirect supplier become known,

thyssenkrupp rothe erde will immediately initiate appropriate measures² with the aim of ending these violations. A particularly serious violation at a supplier can lead to a temporary suspension up to the immediate termination of the business relationship.

On this basis, the identified violations were implemented in a structured corrective action plan and were, or are, addressed by the thyssenkrupp rothe erde business responsible for the supplier.

Our responsibility for implementing these principles

Commitment and compliance

These principles apply to all our local companies and all managers, management members as well as all other employees of the entire thyssenkrupp rothe erde. We actively promote the communication of the policies and agreements underlying our principles.

These principles will be reviewed for validity by the responsible persons of thyssenkrupp rothe erde at least once a year as well as on an ad hoc basis and updated as necessary, e.g. on the basis of the annual risk analysis, and approved by the management of thyssenkrupp rothe erde.

These principles are communicated to our employees and relevant stakeholders on the intranet and through other channels, as well as to external parties via our corporate website. To raise awareness of human rights and environmental expectations, we offer training courses for employees. The training is based on the thyssenkrupp Code of Conduct and the thyssenkrupp Supplier Code of Conduct as well as this policy statement. In addition we offer specific trainings for our purchasing community and employees from other relevant areas.

Reporting of possible misconduct

In order to counteract violations of laws and internal Group regulations or possible infringements of human rights and environmental rights and legal assets at an early stage and reduce damage to our employees, business partners and thyssenkrupp itself, thyssenkrupp has established a complaints procedure for all Group companies. This procedure ensures that any relevant information reported by employees of thyssenkrupp rothe erde and external parties, such as our direct and indirect suppliers or their employees, can be received and processed.

If requested, the complaints procedure allows complaints to be submitted anonymously, without barriers and worldwide. Each whistleblower receives an acknowledgement of receipt, provided that all the necessary information has been provided. The process ensures the protection of the assets of whistleblowers not only by setting up a secure whistleblowing system, but also by promising to treat incoming reports confidentially and to protect whistleblowers acting to the best of our knowledge by all appropriate means against any disadvantages resulting from a report. You can also report information completely anonymously, provided this is legally permissible.

Complaints are received centrally³ via various reporting channels, which can be accessed via <https://thyssenkrupp.com/en/beschwerdeverfahren> and <https://www.thyssenkrupp.com/en/ifa>.

² This may include a coordinated approach with the support of trade associations and industry initiatives to maximise influence on the supplier.

³ The persons entrusted with the management of the whistleblower system offer a guarantee of impartiality, insofar as they are independent, are not bound by instructions and are sworn to secrecy.

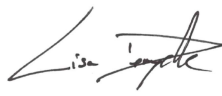
Documentation and reporting

We report annually on the fulfilment of our human rights and environmental due diligence obligations in relation to the past financial year to the competent authority and on our website⁴. In addition, we document the fulfilment of our due diligence obligations on an ongoing basis within thyssenkrupp rothe erde. The documentation of the processes described in this policy statement is kept in accordance with legal requirements.

thyssenkrupp rothe erde Germany GmbH, September 20, 2024



Winfried Schulte (CEO)




Lisa Denoyelle (CFO)



Armin Necker (CTO)

⁴ thyssenkrupp AG reports also via its website on broader activities in the area of human rights and environmental due diligence, as well as integrated as part of the groupwide sustainability agenda in the Annual Report.

thyssenkrupp rothe erde Germany GmbH
Tremoniastraße 5-11
D - 44137 Dortmund
Germany
T: +49 231 1 86-0
F: +49 231 1 86-25 00
rotheerde@thyssenkrupp-rotheerde.com
www.thyssenkrupp-rotheerde.com

The background is a solid blue color. On the right side, there are several thin, white, curved lines that sweep upwards and outwards, creating a sense of motion and depth. These lines are more densely packed on the right and become more sparse towards the left.