



POLICY STATEMENT

ON LEGALLY MANDATED CORPORATE DUE DILIGENCE OBLIGATION TO PREVENT HUMAN RIGHTS ABUSES IN SUPPLY CHAINS

(German Act on Corporate Due Diligence Obligations in Supply Chains - LkSG)

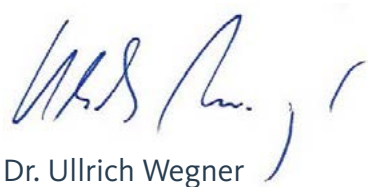
CONTENTS

- 03 Foreword by Executive Management
- 04 Statement of Peter Cremer Holding GmbH & Co. KG on Respect for Human Rights
- 04 Approach to Implementing Human Rights Diligence Obligations
- 05 Risk Analysis of Our Own Business Field and in the Supply Chain
- 05 Preventive Measures
- 05 Complaint Mechanism
- 07 Handling of Violations
- 07 Responsibilities
- 07 Outlook and Reporting

FOREWORD BY EXECUTIVE MANAGEMENT



We affirm the values of human rights and environmental sustainability, without reservation. Our company stands for ethical conduct, social responsibility, and ecological sustainability. We recognize the challenges along our supply chain, and are committed to actively contributing to positive change.



Dr. Ullrich Wegner



Thimo Heinzen

STATEMENT OF PETER CREMER HOLDING GMBH & CO. KG ON RESPECT FOR HUMAN RIGHTS

As a company that affirms the principles of the German Act on Corporate Due Diligence Obligations in Supply Chains, we work to promote respect for human rights and protection of the environment in our global supply chains. This Policy Statement forms the foundation of our responsibility and defines our obligations pursuant to and beyond legal mandates.

CREMER¹ aligns its business activities with international standards and directives including:

ISO 50001, ISO 9001, DE-ÖKO-006, REDcert2, Bonsucro certification, Roundtable for Sustainable Palm Oil (RSPO) and EcoVadis Ratings.

CREMER expects all employees and their business contacts to comply with applicable laws and regulations, and to adhere to internationally recognized human rights and environmental standards. CREMER expects its suppliers to accept and follow its Business Partner Code of Conduct. In addition, suppliers are requested in turn to communicate the consequent expectations to their suppliers and business partners.

APPROACH TO IMPLEMENTING HUMAN RIGHTS DILIGENCE OBLIGATIONS

Due to our varied international business activities, employees at CREMER and along the supply chain are confronted with many different human rights and environmental risks. Comprehensive and unified management of these risks helps protect the reputation and credibility of CREMER, and importantly, helps prevent or minimize violations of human and environmental rights. In this way, CREMER contributes to more fairness in business.

CREMER sees the management of these risks as an ongoing process that is firmly integrated in business processes. A multistage procedure within our company structure has been established for dealing with risks in the supply chain, serving to identify and where necessary address potential negative effects on human and environmental rights, in our own business activities and in those of our suppliers. This procedure is described in detail in the sections that follow.

¹In this Policy Statement, CREMER refers to all legal entities under the leadership of Peter Cremer Holding GmbH & Co. KG

RISK ANALYSIS OF OUR OWN BUSINESS FIELD AND IN THE SUPPLY CHAIN

Our commitment is based on comprehensive analysis to systematically identify potential risks to human and environmental rights along our supply chain. CREMER identifies and evaluates relevant issues in the form of risk analysis processes which are updated annually and as needed. This process is extended to cover indirect business relationships if necessary. Suppliers and companies with higher risks are examined more deeply in the next step. Where necessary, this process incorporates the expertise and experience of responsible staff who are in contact with the respective supplier.

Risk analysis considers all legal positions protected by applicable conventions and laws and referenced by the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). Child and forced labor, income inequality, work and health safety, discrimination, and freedom of association are particularly sensitive areas in the supply chain. The regular risk assessment as part of company risk management extends to cover the requirements of LkSG.

The results of risk analysis are continuously incorporated into CREMER's internal business strategies, supplier selection, and supplier management.

PREVENTIVE MEASURES

Alongside this Policy Statement, the CREMER Code of Conduct and CREMER Business Partner Code of Conduct form a mandatory operational framework for all CREMER employees and the CREMER supply chain.

Based on the risk analysis, we develop and implement targeted preventive measures. These include training, directives, audits, and the requirement for sustainable practices, in-house and by our suppliers. Our goal is to effect positive change and minimize risks, together with our partners.

Risks that can come up within the supply chain are mapped as well as possible by CREMER's systematic supply chain management. In addition to the identification of country- and industry-specific risks, the gathering of necessary information through targeted queries concerning critical points, and any certificates by suppliers, CREMER deploys clear and direct communication in its interactions with suppliers. Critical points are discussed openly and their resolution supported by CREMER to the fullest extent possible.

COMPLAINT MECHANISM

As a traditional family company CREMER stands for trust and integrity, and practices an open corporate culture.

Pursuant to the requirements of LkSG and the EU Whistleblower Directive, CREMER offers all employees, customers, and business partners a mechanism for making contact in a protected space, in order to anonymously report on events or occurrences if they desire to do so. CREMER's whistleblower system guarantees the protection of whistleblowers and affected parties. All information is processed quickly and fairly, and treated with absolute confidentiality.

The whistleblower system is linked on CREMER websites and is publicly accessible.



HANDLING OF VIOLATIONS

If a contribution to or connection with human rights or environmental violations is found within CREMER business activities, CREMER takes immediate corrective action through the responsible departments. This includes uncovering abuses and initiating appropriate remedial measures, and affects CREMER as well as its direct and indirect suppliers.

Severe violations within the company can lead to disciplinary action, while severe violations by business partners can lead to termination of the business relationship. Specifics are addressed in the CREMER Code of Conduct and the CREMER Business Partner Code of Conduct.

RESPONSIBILITIES

The Executive Management of Peter Cremer Holding GmbH & Co. KG is responsible for the implementation of this CREMER Policy Statement. Implementation of the principles and requirements of LkSG is the responsibility of the officers of the individual CREMER business units, while coordination and monitoring are in the purview of the GRC and Sustainability departments of Peter Cremer Holding GmbH & Co. KG.

Furthermore, an interdisciplinary "Human Rights Officers" team has been formed to give human right issues special attention.

OUTLOOK AND REPORTING

CREMER is aware that implementing the requirements of LkSG is an ongoing process. CREMER welcomes this challenge and will regularly review and improve its measures and approaches. Execution and further development are included in the annual report to the Federal Office for Economic Affairs and Export Control.

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