

Policy Statement Regarding the Human Rights Strategy

1. Introduction

1.1. The Mewa Group

The Mewa Group is a leading family business in the textile service sector in Europe, offering workwear, industrial cleaning wipes, towel rolls, foot mats, ecological parts cleaners and floor mops as a 360° service, as well purchase of PPE (personal protective equipment) for B2B (business-to-business) customers in 21 countries.

Tolerance, respect, fair play, humanity, openness to the world: These are the principles that the Mewa Group, as a family-owned company, embodies and lives out every day in its region, towards its employees, customers and with its neighbours. Mewa sees itself as part of a community for which it responsible.

Strategy and internationality

Mewa combines modern management with the value-focused attitude of a fourth-generation family business: commitment, flat hierarchies and an atmosphere in which creativity can unfold are values that have always characterised Mewa.

The core values of **personality, efficiency, qualification, quality, investment, environment and responsibility** have been the cornerstones of our actions at Mewa for decades.

Respect for the individual and the community also has a long tradition and is firmly anchored in the corporate culture. All these characteristics and core values determine management's strategic decisions and are embedded into our daily activities at all Mewa locations.

1.2. Our commitment to human rights

The Mewa Group is committed to respecting internationally recognised human rights and aligns its business activities with the following internationally applicable standards and guidelines:

- the UN Guidelines Principles on Business and Human Rights, the 10 principles of the United Nations Global Compact (UNGC), the conventions and recommendations of the International Labour Organisation (ILO) on labour and social standards, the OECD Guidelines for Multinational Enterprises and the Universal Declaration of Human Rights (UDHR) published by the UN.

1.3. Mewa Code of Conduct

As well as recognising all human rights conventions, Mewa has established an internal code of conduct. The Mewa Code of Conduct is a voluntary commitment to act responsibly and in accordance with the rules and to respect human rights. It applies to all Mewa Group employees. The Mewa Code of Conduct provides practical advice for compliant behaviour in a wide range of aspects of day-to-day business. These include "fair treatment of employees and business partners", "combating corruption", "protection of business secrets and IT security", "occupational health and safety", "effective and efficient sustainability" and the "special responsibility of managers". Employees can view the Mewa behaviour guidelines on the Mewa intranet or request them via HR departments.

2. Respect for human and environmental rights in the supply chain

2.1. Procedure and responsibilities for risk management

The roles responsible for Supply Chain Act (LkSG) risk management in the supply chain at Mewa essentially sit in the purchasing function: operational purchasing (employee), purchasing department team leader, purchasing department group leader, head of purchasing (of the business unit; department head)

The Human Rights Officer and the Mewa Compliance department are also responsible for LkSG risk management.

a.) Identifying, weighting and prioritising risks

We view appropriate care with regard to human and environmental rights as a continuous process and therefore regularly carry out risk analyses in our own business area and our supply chain:

- I. **Periodic risk analysis:** Comprehensive risk analysis for all direct suppliers (1st tier) in the annual reporting cycle (continuous)
- II. **Event-related risk analysis:** Comprehensive risk analysis for individual/all suppliers as an ad hoc report (e.g. supplier qualification for tenders or supplier onboarding)
- III. **Ad-hoc risk analysis based on substantiated knowledge:** Evaluation of individual suppliers on the basis of specific facts arising from substantiated knowledge gained (knowledge of a specific risk). This also applies to indirect suppliers in the downstream supply chain (n-tier)

The main components of our risk analyses are: the macroeconomic risk analysis, the microeconomic risk analysis and the internal supplier analysis.

The risk analysis aims to identify suppliers with a conspicuous industry or country (macroeconomic) risk profile, then to evaluate the specified risks (weighting), prioritise them and mitigate them using appropriate measures. Suppliers with a low risk profile, on the other hand, are filtered out within the risk analysis process in filter stages, but can be reintegrated into the risk analysis process at any time if specific information comes to light.

The Mewa Group uses a software solution to ensure a continuous risk analysis process throughout the financial year.

The following risk funnel chart provides a graphic illustration of our approach:



Risk analysis based on the risk funnel methodology, as at 10/2022

Risks are assessed to determine the appropriateness and scope of appropriate preventive and remedial measures based on the following criteria:

- Probability, severity and reversibility of the risk
- Mewa's ability to influence the supplier
- Mewa's causal contribution to the risk

For the Mewa Group, the focus is on the following human rights and environmental priority risks:

- Prohibition of child labour
- Prohibition of forced labour and all forms of slavery
- Unequal treatment in employment
- Environmental pollution, noise emissions, excessive water consumption
- Use of mercury, mercury waste
- Disregard for freedom of association

b.) Preventative measures

All of Mewa's divisions are mandated to take preventative measures appropriate to the risk immediately risks are identified in their own division or at direct suppliers, to track the measures and to review their effectiveness over time.

As well as specific preventive measures for identified risks, Mewa has established mechanisms in purchasing practices and internal processes to prevent human rights and environmental risks.

Preventative measures include the Mewa Supplier Code of Conduct, which obliges our direct suppliers to fulfil their human rights and environmental due diligence obligations, as well as comprehensive internal training measures.

We believe that building the expertise of our employees and suppliers in human rights and environmental issues and due diligence is the best form of prevention. For this reason, we regularly organise training and further education events to raise general awareness, as well as training for our employees in Purchasing on specific topics, such as taking preventative and corrective measures.

c.) Corrective measures

If, despite existing preventative measures, we become aware of violations of the legal positions protected in the LkSG, corrective measures will be initiated immediately to end, minimise or prevent violations.

The actions we initiate in our own business area must always result in the cessation of violations.

In the event of breaches affecting direct or indirect suppliers, the purchasing managers responsible, together with the supplier concerned, draw up and monitor an action plan and timetable aimed at ending or minimising the violation.

The pre-selection of corrective measures is agreed with the line manager, and the selected corrective measures are implemented under the purchaser (employee)'s responsibility. Other roles and responsibilities should be involved if deemed necessary for effective implementation of a specific corrective measure.

If the corrective measures taken are not effective, the last resort is to terminate the business relationship with the supplier in question.

d.) Grievance mechanism

Our employees and all external parties (e.g. suppliers, customers, stakeholders, etc.) are offered various ways at Mewa to report violations of human and environmental rights in our own business area or that of our suppliers:

- Direct contact with the responsible purchaser or auditor on site
- General contact via info@mewa.de
- Specific and anonymous contact via mewa.integrityline.org

Mewa uses EQS Integrity Line as a whistleblower system within the meaning of the LkSG. Access is barrier-free via the Mewa website and the intranet and both personalised and anonymised reports can be submitted in accordance with the various German and European legal provisions.

e.) Human rights and working conditions at the Mewa Group

In accordance with our core values, we treat our employees well and respect all aspects of internationally recognised human rights. These include, in particular, prevention of discrimination, occupational health and safety, freedom of association, fair pay and no form of child labour or forced labour.

We also record all activities in respect of our own business activities relating to the creation and utilisation of products and the provision of services, irrespective of whether they are carried out at a location in Germany or abroad. Annual and ad hoc effectiveness tests are also carried out here.

Any risks identified are appropriately weighted and subsequently prioritised; they are then processed together with the respective areas of responsibility.

f.) Documentation and reporting

As well as documenting the various activities in our LkSG risk management software solution, a report for the Mewa Group is prepared once a year in accordance with legal requirements. The extensive Federal Office of Economics and Export Control (BAFA) questionnaire is answered for this purpose and then published on our own website (www.mewa.de). The publication is only available in German, so it is only presented on the German website version.

2.2. Expectations of employees and suppliers

The Mewa Group expects all employees and suppliers to comply with international human rights standards and laws in force. We are aware of our responsibility and pursue the goal of avoiding all human and environmental rights violations in our own business area and along our entire value chain.

2.3. Focussing in on: Human rights/environment

As the Mewa Group, we are aware that we can only succeed long-term as a company if the impact of our business activities is in harmony with people and the environment. We also are conscious that implementing human rights due diligence in our own business area and in supply and value chains is an ongoing process.

As a result, we continuously review and identify human rights risks in our supply chains. This enables us to derive suitable measures to eliminate or reduce these risks. As a responsible company, our human rights due diligence efforts focus on both our own employees and the people in our supply chains.