

TALKE – Declaration of Principles on Respect for Human Rights and Environmental Due Diligence

(This policy is effective for the TALKE Group)

Respect for human rights and the protection of the environment is a fundamental part of responsible corporate governance for TALKE.

As defined in our vision, we want to set standards as the No. 1 solution partner for the world of chemistry and take logistics to the next level. It is our mission to responsibly transform chemical logistics into a catalyst for future success. Along this journey it is of great importance for TALKE to act responsibly, prudently and sustainably. We expect the same in our dealings with each other, as well as with business partners, society and the environment.

Respect for human rights and environmental due diligence are key elements of our strategy to achieve TALKE's vision.

In our efforts to protect human rights, we focus in particular on the following groups of people along our supply and value chain:

- TALKE employees¹ at national and international locations including interns, students, temporary workers, contract workers and trainees
- Employees of our direct suppliers
- Employees of TALKE Joint-Ventures

In joint ventures in which we exercise decisive influence (for example, through majority ownership or because we are responsible for the operational management), we respect human rights in an identical fashion to our own companies. We will only participate in Joint ventures or minority shareholdings in which we do not exercise decisive influence if they respect human rights. If this is not the case, we will exhaust all possibilities at our disposal to establish respect for human rights or, if this is not possible, terminate the participation.

We demand that all employees¹, suppliers and business partners respect and comply with human rights and environmental concerns in their actions, in order to jointly assume social and ecological responsibility and ensure sustainable business practices.

We are convinced that we can only be successful in the long term if we live up to our corporate responsibility to respect human rights and to avoid environmental risks at our locations and along the entire supply and value chain.

¹ All terms are to be understood in a gender-neutral sense (m/f/d).

Our Commitment to Protecting Human Rights and the Environment

With this Declaration of Principles, we make a binding commitment to respect human rights and for the protection of the environment.

In order to live up to this responsibility, both within our own business and along the supply chain, TALKE aligns its business activities in particular with the following internationally valid standards and guidelines:

- the Universal Declaration of Human Rights of the United Nations (UN)
- the United Nations Guiding Principles on Business and Human Rights (UNGP)
- the conventions and recommendations of the International Labour Organization (ILO) on labour and social standards
- the principles of the United Nations Global Compact (UNGC)
- the UN Conventions on the Rights of the Child

The principles and protected legal positions set out therein are part of our Code of Conduct for our employees, which is supplemented by this Declaration of Principles. We are committed to preventing and avoiding negative impacts on human rights and environmental concerns within our business activities to the fullest extent possible. Together with our suppliers and business partners, we aim to minimise human rights risks and environmental risks and create stable and long-term business relationships by acting responsibly.

Our employees are required to adhere to the Code of Conduct and the Declaration of Principles in the performance of their duties.

We expect our suppliers and business partners to join us in advocating high ethical standards and human rights, to behave responsibly in their own areas of business and to ensure compliance with these standards in their relationships with their suppliers. This also includes making all reasonable efforts to avoid or at least reduce negative impacts on the environment and other environmental risks to the greatest extent feasible. We express this claim in our TALKE Supplier Code of Conduct, which is part of our contractual agreements with our suppliers and forms the basis of our cooperation.

Our Approach to human rights and environmental risks

Risk analysis and management

As part of the Compliance Risk Assessment (CRA) process, TALKE continuously addresses the legal risks associated with TALKE's business activities.

Within the framework of the CRA, TALKE's risk position is analysed in workshops amongst others, with the involvement of management and department heads. This process entails three phases:

In the first phase, the "abstract" risk situation is considered. In other words, it assesses the legal risks associated with TALKE's business activities in particular. In the second step, the existing control environment is analysed and the measures already taken to mitigate/reduce risks are examined. In the subsequent third step, measures are then defined - if necessary - to be implemented to further reduce risks.

In order to implement the obligations/legal requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG), which also formally apply to TALKE, in particular to adequately manage the LkSG risk management within TALKE, organizational responsibilities were defined. Among other things, a central process control team has been established, which is made up of representatives from various business units (including Procurement and Responsibility) with the involvement of the management and which is responsible for the application of LkSG risk management.

With regards to our direct suppliers, we have used a risk-based approach to identify TALKE's key suppliers and cluster them by industry and region. These were analysed with regard to their risk situation in relation to respect for human rights and environmental risks. In the area of environmental risks, we have placed a special focus on the topics of climate/energy, water, air pollution and waste. In the area of human rights risks, our focus is on discrimination, working conditions, occupational health and safety, and wages and remuneration.

As part of the risk analysis, we weigh and prioritize risks by setting the typically expected severity of a possible infringement and its irreversibility in relation to the probability of occurrence. We also take into account our own possible causal contributions as well as the degree of our influence, in order to prioritize risks and take targeted action where risks are likely to occur. With the help of a risk matrix, we identify our need for action and initiate appropriate and effective prevention and remedial measures where they are necessary.

Multiple departments are involved in the operational implementation of the human rights and environmental due diligence processes, which provide human resources to maintain adherence to the LkSG and report regularly and on a case-by-case basis on the results within the project team.

Additionally, we review the impact of our actions on human rights and the environment in cooperation with external service providers and expert consultants.

The results of the risk analyses are continuously incorporated into our corporate decision-making processes.

In addition to the regular risk analysis process, event-related risk analyses are also carried out if there is substantiated knowledge of infringements.

Prevention and remedial measures

The comprehensive risk analysis is supplemented by a variety of other preventive measures:

- We train our employees on a regular basis.
- As part of our contractual terms and conditions, we formulate specific requirements for our business partners, suppliers and service providers to comply with the requirements contained in this declaration.
- In order to verify compliance with our requirements, our suppliers and service providers are asked to carry out audits independently or to commission them. On this basis, we use structured and event-related spot checks to check whether our suppliers and service providers comply with the requirements.
- We hold regular discussions on topics of cooperation and further development with our most important suppliers and service providers in order to strengthen the partnership through personal exchange and also to be able to address topics related to sustainability in a targeted manner.
- We are involved in industry initiatives. The aim is to involve as many players as possible along the value chain and to jointly find approaches for constructive long-term developments.
- We have defined internal processes and responsibilities that govern the monitoring of compliance with due diligence obligations and describe the procedure for detecting violations and taking necessary measures.

If we determine that we, as TALKE or our direct or indirect suppliers, have violated human rights and/or related environmental legislation, or are highly likely to do so, we will immediately take remedial action to prevent, terminate or minimize the violation.

The following principal applies:

Violations of human rights and environmental care will not be tolerated and will be pursued consistently. They can result in legal consequences, up to and including the termination of the employment relationship or business relationships.

Appointment of a Human Rights Officer

A human rights officer has been appointed who is responsible for the implementation and monitoring of the LkSG requirements (in particular the risk analysis) at TALKE. The managing directors of TALKE ensure the implementation of the requirements.

Complaints mechanism

If possible human rights or environmental risks are discovered in our company or along the supply chain, or if violations have occurred, our complaints office within the meaning of § 8 LkSG (at the same time outsourced internal reporting office within the meaning of § 14 para. 1 HinSchG) is available to everyone (employees, business partners, suppliers, customers and other third parties).

Of course, all information will be treated confidentially and can also be submitted anonymously.

Further details on the complaints procedure are regulated in the "*TALKE Rules of Procedure for the Handling of Complaints on Violations of Human Rights and Environmental Due Diligence Obligations within the Meaning of Section 8 of the LkSG*".

You can contact the Complaints Office/Internal Reporting Office using the following contact details:

Compliance Officer Services Legal
Stephan Rheinwald
Telemannstraße 22
53173 Bonn
Tel: 0228/ 35036291
Fax: 0228/ 35036292
E-Mail: s.rheinwald@cos-legal.eu

Documentation and Reporting

The implementation and implementation of the described obligations is continuously documented within the framework of the CRA. This is where we collect all the information available to us about identified risks, prevention and remedial measures taken.

In the future, we will provide information on the implementation status and strategic developments annually (for the first time in 2025) as part of our reporting to the Federal Office of Economics and Export Control (BAFA) and on our company's website (www.talke.com).

Outlook

TALKE is aware that the implementation of human rights and environmental due diligence obligations in its own business area as well as in the supply chain is a continuing process. We are therefore committed to the continuous review and further development of our own measures and we regularly review the effectiveness of the measures described above on a case-by-case basis.

Final provisions

The Declaration of Principles on Compliance with Human Rights and Environmental Risks will enter into force from the date of its signature. It was signed in January 2024 by the management of Alfred Talke GmbH & Co. KG.

Hürth, 01 January 2024



Alfred Talke



Markus Glöckler



Christoph Grunert