

## HydraSpecma Code of Conduct Policy

### Introduction

At HydraSpecma Group, our core values *Integrity, Business Acumen, Be Relevant, Flexible, Sustainable* are the foundation and the guidelines for the way that we do business, and function as a value base for our employees as to how they should conduct day-to-day business.

We are dedicated to being a responsible employer and a good corporate citizen. The Code of Conduct represents our core values and reflects our continued commitment to ethical business practices and regulatory compliance. We are aware that our responsibility goes beyond our own activities, why we take a responsible approach- and are committed to respecting fundamental human and labor rights within our own operations and throughout collaboration with our value chain.

Our continued commitment to ethical business practices, as well as social and environmental responsibilities, is in line with the ten principles of the UN Global Compact and based on core ILO conventions and internationally accepted frameworks from OECD, thus, we are in compliance with applicable local legislation and law where we operate.

With this policy, we hope to increase employee engagement, promote the HydraSpecma as a preferred industry workplace, and attract a talented workforce.



Please read it carefully to learn more about your rights and responsibilities as a HydraSpecma employee.

Morten Kjær, Chief Executive Officer

### Roles and responsibility:

Our Employee Code of Conduct Policy applies to all prospective and current employees of the company and stakeholders of relevance.

Policy Authorized	Policy Owner	Last review	Next review
Morten Kjær	Daniel S. Andreasen	11/05 - 2024	11/05 - 2025

	
Morten Kjær Group CEO	Daniel S. Andreasen Head of Group Strategy & ESG

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## Scope of application

The content of this policy is written for and applies to all business units owned and controlled by HydraSpecma globally, our employees and affiliates. It outlines the expectations of the company to employees and states what the employees can expect from group leaders and management.

We, at HydraSpecma, strive to act with decency and value our people, why it is important that all employees comply with this corporate Code of Conduct. All HydraSpecma employees are responsible for following these principles and integrating them into all activities and processes to live the HydraSpecma corporate core values of *Integrity, Business Acumen, Be Relevant, Flexible, Sustainable*.

All guidelines and procedures that we follow at HydraSpecma are based on this policy and the values outlined in our Code of Conduct. We encourage our employees to seek more information on our other policies, where some of the areas of the Code of Conduct is detailed more explicit.

## HydraSpecma Code of Conduct Principles

We, at HydraSpecma, are committed to and highly value the employees and relevant stakeholders ensuring the companies daily operations and progress. Our commitment is in line with the ten principles of the UN Global Compact and based on core ILO conventions and internationally accepted frameworks from OECD, on business and human rights, as well as in compliance with applicable local legislation and law where we operate.

### *Employees*

At HydraSpecma, all employees are treated equally and with respect regardless of gender, age, faith, ethnicity, sexual persuasion, disability or other. Personal relationships must not affect obligations towards the company and expect our employees respect each other between, thus follow the outline of this Code of Conduct. No employee may share other employees' personal information without permission. We are obliged to protect the health and safety of our employees at the workplace and to always act with awareness of environmental impact.

### *Customers*

At HydraSpecma, we act fairly, responsibly and with integrity towards customers in accordance with good business ethics. The claims we make for our products and services are truthful and correct. We fulfill everything we promise regarding safety and product quality. We follow local laws, regulations and our anti-bribery policies concerning gifts and entertainment.

### *Shareholders*

At HydraSpecma, we value our shareholders. We communicate with shareholders through the HydraSpecma CEO or his or her delegated representative(s). We always follow the established procedures for internal control, bookkeeping, financial management and document management. Company information must never be used for personal use, trade or be passed

on unless for legitimate business purposes.

#### *Business partners*

At HydraSpecma, we promote fair competition. We compete fairly and do not enter agreements or understandings that unfairly restrict competition. We follow export and import requirements and under no circumstances do we attempt to gain advantages through fraud or unlawful activities. We also demand ethical business practices from our suppliers and encourages that they also follow the HydraSpecma Code of Conduct for suppliers.

#### *Society*

At HydraSpecma, The United Nations Universal Declaration of Human Rights is also our declaration. We believe that all people have equal dignity and rights, which are the foundation for freedom, justice, and peace. The resources of the company are never to be used for political purposes. However, direct support may be given to charitable or aid organizations. Communication with external partners is through the CEO or delegated representatives of the company.

#### HydraSpecma Code of Conduct key areas and actions in own workforce

HydraSpecma strives to be among the best in creating value in a proper and trustworthy manner by committing ourselves and our businesses to take responsibility and operate sustainably, while creating a motivating working environment. Our Code of Conduct lay the foundation for a common approach among our employees regarding our values and our ambition to work sustainably and responsibly. The policies describe guiding principles, and expectations we have for each other, and summarize our approach as employees and employer.

To pursue these values, all HydraSpecma employees, leaders, and stakeholders of relevance are expected to act in accordance with the HydraSpecma Code of Conduct.

#### *Diversity, Equity, and Inclusion*

HydraSpecma has operations in various countries around the globe. Regardless of country, we are committed to upholding human rights and to treating our employees, and the employees between, with dignity and respect. We support and respect the protection of internationally proclaimed human rights as stated in the Universal Declaration of Human Rights and the ILO conventions and recommendations.

We, at HydraSpecma, works to ensure equal treatment and opportunities for all employees of the company, and to advance the corporate diversity, equity, and inclusion. HydraSpecma supports freedom expression and does not tolerate any discrimination or harassment based on gender, transgender identity or other expressions, age, culture, nationality, ethnicity, physical abilities, disabilities, hidden disabilities, political and religious beliefs, sexual orientation, or other factors subject to unconscious bias.

Should you (*employee, manager, customer, business partner or relevant stakeholder*) experience any misconduct or breach on this, we encourage you to contact your immediate manager or anonymously report it through our whistleblower system ([Link](#)).

For detailed actions, we encourage you to read and comply with our *Diversity, Equity, and Inclusion Policy*.

#### *Fair compensation, wages and working hours*

HydraSpecma pay fair wages in accordance with the minimum wage legislation. Generally, wages are based on market level and employee performance. We are committed to assuring full compliance with applicable laws, regulations, and relevant collective agreements concerning working hours and overtime, leave and minimum rest periods. Workweeks are not to exceed the maximum set by local law.

#### *Freedom of association and collective bargaining*

At HydraSpecma, we respect our employees' right to associate freely, form or join organizations of their choosing and to bargain collectively.

#### *Health and safety*

At HydraSpecma, employees and relevant stakeholders' health and safety is a key priority throughout our entire value chain, from purchase and manufacturing to end customers. We work for a safe and healthy work environment, with the aim of an accident-free workplace. We ensure our suppliers align with our corporate health and safety measures and standards, through supplier Code of Conduct. Our health and safety measures and standards are passed on to our customers and stakeholders when visiting the organization or when receiving goods further down the value chain.

HydraSpecma provide employees with standards, guidance and equipment for all key business activities, to ensure a high level of health and safety at all levels of the organization. Applicable standards and guidance are distributed by the immediate manager responsible for different operational activities, to ensure correct compliance and best working environment. We expect our employees to support continuous improvements in health, safety, and well-being initiatives throughout all our operations and operational sites.

For detailed actions, we encourage you to read and comply with our *Health and Safety Policy*.

#### *Employee wellbeing*

At HydraSpecma, we encourage an open-door philosophy, allowing employees to confidently come forward with their concerns to enable timely handling and avoid misfortunes and dissatisfaction.

HydraSpecma issues a biannual confidential work condition survey, annual mandatory performance talks and development interviews through appraisals, to monitor and follow employee satisfaction levels. Employees are entitled to minimum one performance talk per year, but, is encouraged to reach out to your immediate manager regularly if needed. Actions such as these, enables HydraSpecma to follow development and continually improve accordingly to ensure high employee satisfaction and wellbeing.

We have a zero-tolerance policy towards harassment and any breaches of this policy may have consequence for the continued employment of the perpetrator.

Should *you (employee, manager, customer, business partner or relevant stakeholder)* experience any misconduct or breach on factors harming employee wellbeing, we encourage you to contact your immediate manager or anonymously report it through our whistleblower system ([Link](#)).

#### *Development and talent management*

We, at HydraSpecma, supports employee's professional development, including classroom training, on-the-job training, and online courses relevant for the position and daily working-tasks.

We acknowledge that our managers and leaders play an important role in developing employee competencies, why we invest time and resources toward giving our managers the skills and understanding needed to build and maintain a working environment that fosters personal and mutual growth between employees.

HydraSpecma issues an annual performance talks and development interviews through appraisals, to follow employee satisfaction levels and personal growth. Employees are entitled to minimum one performance talk per year, but is encouraged to reach out to your immediate manager regularly if needed.

#### *Recruitment and promotion*

At HydraSpecma, talent acquisition and internal promotions are key drivers for our company's success. Internal promotions are important, to motivate and retain valuable employees. Where possible, we do our utmost to support our employees, who would like to change positions or departments within HydraSpecma, by offering them opportunities to be directly appointed to a position via internal promotion channels, or as part of internal/external recruitment processes.

#### *Sick leave*

At HydraSpecma, we aim to keep sick days to an absolute minimum. All operational sites are equipped with right guidelines and employee handbooks for handling both short and long-term illnesses, thus for the employees to receive the support that they need to return to work as soon as possible. We, at HydraSpecma, strive to be a safe place to work, from both a physical and mental standpoint.

#### *The right not to be subject to harassment*

We, at HydraSpecma, has zero tolerance towards bullying, harassment, and discrimination, and is committed to creating an inclusive workplace-culture, free from these behaviors.

Should *you (employee, manager, customer, business partner or relevant stakeholder)* experience any misconduct or breach on this, we encourage you to contact your immediate manager or anonymously report it through our whistleblower system ([Link](#)).

#### *Labor and human rights*

At HydraSpecma, we believe that results are created by people. It is our unwavering commitment to adhere to all fundamental principles and rights at work, why we are committed

to being a responsible employer ensuring proper terms of employment, appropriate labor standards and a motivating working environment for our employees.

HydraSpecma has operations in various countries around the globe. Regardless of country, we are committed to upholding human rights and to treating our employees with dignity and respect. We support and respect the protection of internationally proclaimed human rights as stated in the Universal Declaration of Human Rights and the ILO conventions and recommendations.

At HydraSpecma, each employee is required with an employment agreement that fully complies with applicable local legislations and trade union agreements, where applicable.

At HydraSpecma, we will not use any form of forced or involuntary labor. No form of forced labour or work linked to any form of duress or threat of punishment will be permitted. Employees must work at their own free will and employees must have the right to terminate their employment at a reasonable notice.

At HydraSpecma, we will not tolerate the use of child labor. Every child is to be protected from economic exploitation and from carrying out work that can be considered to have a negative effect on the child's education or harmful to the child's health or development.

We will not employ anyone who is under the age of 15 or who is subject to compulsory school attendance. However, in countries where permitted by local laws, children between 13 and 15 of age may perform a few hours of light work (simple, limited tasks under adequate adult supervision) or may work as part of an educational program or during school holidays. Such employment must not affect the child's primary education or imply a risk to its health or physical/psychological development. Children and young persons under the age of 18 may not be engaged in night work or work under conditions which compromise their health, safety, or moral integrity and/or which harm their physical, mental, spiritual, moral, or social development.

We hold our suppliers to the same standards, as clearly articulated in our *Supplier Code of Conduct*.

For detailed actions, we encourage you to read and comply with our *Labor and Human Rights Policy*.

Should you (*employee, manager, customer, business partner or relevant stakeholder*) experience any misconduct or breach on this, we encourage you to contact your immediate manager or anonymously report it through our whistleblower system([Link](#)).

#### *Business Ethics, Anti-corruption and -bribery*

We, at HydraSpecma, has zero tolerance towards corruption and illegal business, why we are committed to work against corruption in all its forms, including bribery and extortion. We, at HydraSpecma, expect our employees and leaders to not engaging in any form of corrupt practices, including bribery and facilitation payment, whether direct or indirect. This means that HydraSpecma employee and leaders must never, directly or through intermediaries, accept or offer bribes (bribes are defined as gifts, money or similar). HydraSpecma employees/leaders



shall likewise refrain from offering bribery in an attempt to influence supplier/customer business decisions.

We strive to promote a culture of transparency, honesty, and integrity that fosters a safe and open work environment, where any negative impacts related to our business operations are addressed. Our commitment is based on anti-corruption laws and international and regional legal frameworks, such as the UN Convention against Corruption including the UN guiding principles, as well as compliance with applicable local legislation where we operate.

When employed at HydraSpecma, all personnel must perform and pass a mandatory Anti-Corruption course, to ensure that legislation and our business ethics are followed.

Should you (*employee, manager, customer, business partner or relevant stakeholder*) experience any misconduct or breach on this, we encourage you to contact your immediate manager or anonymously report it through our whistleblower system ([Link](#)).

For detailed actions, we encourage you to read and comply with our *Business Ethics Policy*.

#### *Employee data protection*

At HydraSpecma, the right to privacy, including the security of personal data, is a priority regardless of if it involves our employees, customers, or other stakeholders of relevance. We only collect and process personal data necessary for administering an employees work with HydraSpecma and follow applicable laws in terms of personal data security.

#### *Corporate sustainable responsibility and ESG*

We, at HydraSpecma, acknowledge the global challenges and environmental disturbances which ravages the earth, and our share in the long-time emergence of the problematics. Why we, at HydraSpecma, strive to take responsibility for our environmental and climate impacts throughout our value chain, and wish to prevent and control potential risks we endure the environment.

Our goal is to develop and provide long-term and sustainable responsible solutions to the market, our customers and society by amounts other phasing out fossil fuels related to our business activities. As a goal, we wish to collaborate with supplier to share and achieve these ambitions through transparent processes and knowledge sharing.

For detailed actions, we encourage you to read and comply with our *Environmental Policy and Sustainability Strategy and Policy*.

#### *Whistleblower System*

We, at HydraSpecma, encourage all stakeholders to speak up about any misconduct, such as business crimes, human rights violation or clear and serious violations of internal guidelines and policies of HydraSpecma and report it to our whistleblower hotline. The Whistleblower hotline is an internet-based reporting tool hosted by a third party, EQS group A/S (Got Ethics A/S). All information is kept strictly confidential, and all concerns can be raised without fear of retaliation.



[LINK TO HYDRASPECMA WHISTLEBLOWER SYSTEM](#)

All reports made via the whistleblower hotline will initially be received by two senior persons within the Schouw & Co. Legal & Compliance function, one of them being an executive member of the management and the other being the General Counsel of Schouw & Co. (“Legal & Compliance”). Legal & Compliance reviews all incoming reports, and distribute them to HydraSpecma for further and correct processing on-site.

This policy is reviewed minimum once a year by the policy owner and the Head of People & Culture.