



Statement of Principles on the Protection of Human Rights and the Environment

Diersch & Schröder Group
Status 2024

ENERGY

DS // WESER-PETROL

DS // MINERALÖL

DS // CARD+DRIVE

CARD+DRIVE
Polska

LANFER
ENERGIE

E M O V A
Energie. So einfach.

UTG
Unabhängige Tanklogistik GmbH

ENERGU

HAUER

WESER
TANKING

LEU.

CHEMICALS

ADDITIV
CHEMIE
LUERS

ESTICHEM^{AS}

ACF

LEVACO
CHEMICALS

Sparks

YOUNG BUSINESS

SCS

ELAPRO

ecopox

polytives

Lynatox



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Dear Readers,

Since its founding in 1920, Diersch & Schröder GmbH & Co. KG and its affiliated companies (hereinafter referred to as the DS Group) have grown from trading in mineral oil into a modern energy and chemical company, and we are continuously working to develop ourselves even further: **"To be better tomorrow than we are today!"**

Our economic success in the long term is only possible if it goes hand in hand with social and environmental responsibility.


This Statement of Principles defines the implementation of the Supply Chain Act (Lieferkettensorgfaltspflichtengesetz) "in the DS Group. It supplements our internal **Code of Conduct**, which ensures responsible and ethical conduct within the DS Group, and our **Supplier Code of Conduct**, which details the requirements for our Business Partners in the supply chain.

Bremen, January 1, 2024



Jan Christiansen

Chief Executive Officer
of the Diersch & Schröder Group



1 Our Commitment to Respect Human Rights and Related Environmental Standards

In order to emphasize our respect for human and environmental rights within both our own business and the global supply chain, and to ensure this respect is tangible, the DS Group aligns its business activities with the following standards and guidelines:

- United Nations Universal Declaration of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- International Labor Organization (ILO) Conventions and Recommendations on labor and social issues
- Principles of the United Nations Global Compact (UNGC)
- Organization for Economic Cooperation and Development (OECD) Guidelines
- Minamata Convention on Mercury, adopted October 10, 2013
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, adopted March 22, 1989

The implementation of the principles laid down in these agreements and the protection of the legal positions highlighted by these agreements are anchored in the daily actions of our employees, in our risk management and in our processing of data.

2 Our Impact on Human Rights and Environmental Risks

As part of our various business activities in the energy, chemicals and young business sectors, the people at the DS Group and along our supply chains are exposed to various human rights and environmental risks. The comprehensive and consistent management of these risks helps prevent and minimize any violations of human rights and environmental rights of those potentially affected, thereby protecting the reputation and credibility of the DS Group.

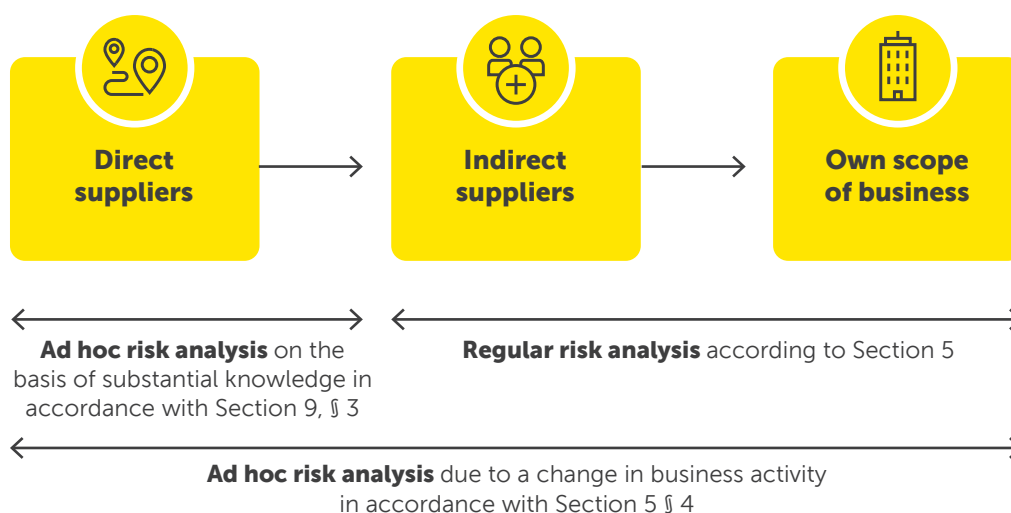
At the same time, the DS Group recognizes that observing human rights and requiring fair working conditions are also dependent on states adopting and implementing effective human rights and environmental regulations and measures in order to meet these obligations.

3 Risk Management

Together with our Risk Management Department, our Procurement Department, our Sustainability Manager and Corporate Compliance the DS Group has developed a risk management system that meets the requirements of the Supply Chain Act. Implementation and documentation are carried out in collaboration with these departments using an appropriately adapted risk management software (R2C).

3.1 Risk Analysis

A structured risk analysis is used to systematically check those business units or activities in which there is an increased risk of possible human rights violations or environmental harm. In addition, ad hoc risk analysis are carried out in the event of significant changes to the risk situation, such as the expansion into new business areas or product ranges, or if breaches of duty in this regard by indirect suppliers become known.



3.1.1 Risk Analysis – Own Scope of Business

When assessing risks that may arise within our own scope of business, we apply an abstract risk analysis similar to the methodology used for direct suppliers (see 3.1.2 below). Regardless of the result, this is followed in each case by a specific risk analysis in a questionnaire format. The questions are assigned to the possible breaches of duty in accordance with the Supply Chain Act. This questionnaire is suitable for the risk analysis of all affiliated companies of the DS Group.

The answers to the questions in the questionnaire are used to determine the probability of a breach of duty.

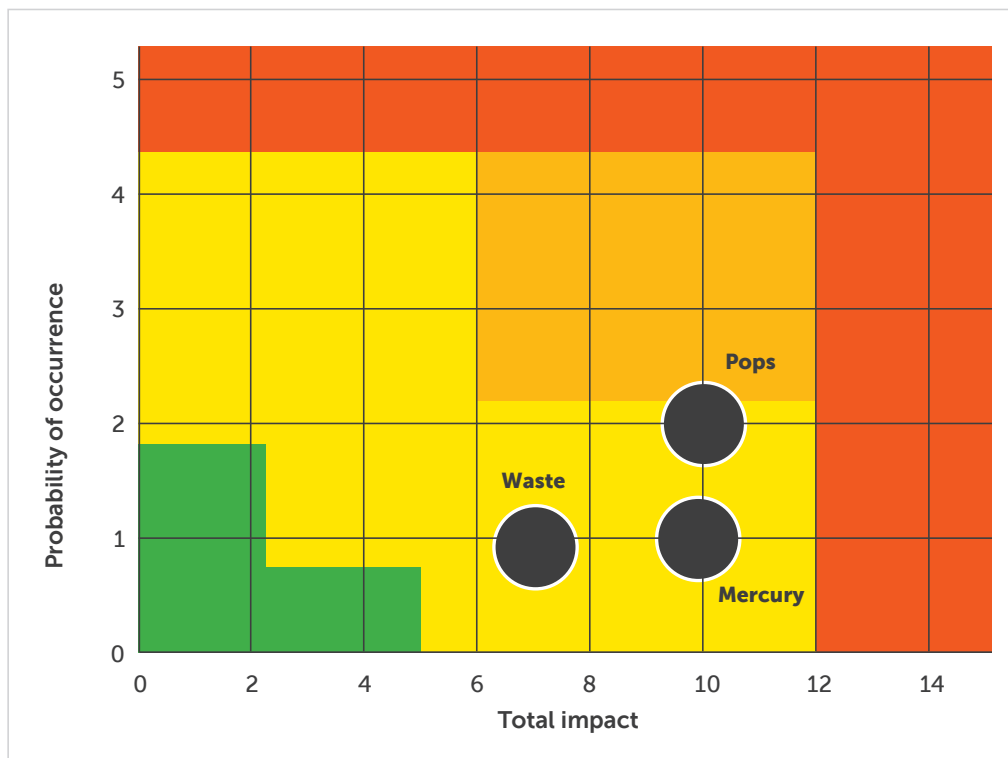


Figure: Example of an impact Heat Map for environmental risks

The results of the risk analysis of the company's own scope of business are transferred to a *Heat Map*, which is used to prioritize preventive measures and remedial actions, if necessary, as all breaches of duty must be stopped immediately. The contribution to causation and the ability to exert influence are generally rated as "high" in the company's own scope of business.

3.1.2 Risk Analysis – Direct Suppliers

Abstract Risk Analysis

The risk analysis begins with an abstract risk analysis, taking into account the supplier's country of origin and sector.

The respective indices (country and sector) have been standardized in a scoring system and are updated once a year. A series of country indices are used to assess the country risk, considering all obligation defined in the Supply Chain Act as far as possible.

A list of sectors with human rights risks is used to assess the sector risk

The classification is based on three risk categories: "non-critical," "critical" and "highly critical." When suppliers are classified as "critical" or "highly critical," the next stage of the risk analysis is a specific risk analysis.

Adverse media and whistleblower reports always lead to a specific risk analysis.

Specific Risk Analysis

The purpose of a specific risk analysis is to assess the supplier's ability to recognize and avoid human rights and environmental risks. Questionnaires, a direct exchange of information with the supplier, audit results and any certifications are used in the assessment.

First, a questionnaire is sent to the suppliers that were assessed as "critical" or "highly critical" in the abstract risk analysis to assess the specific risk affecting the supplier or to validate adverse media or whistleblower reports.

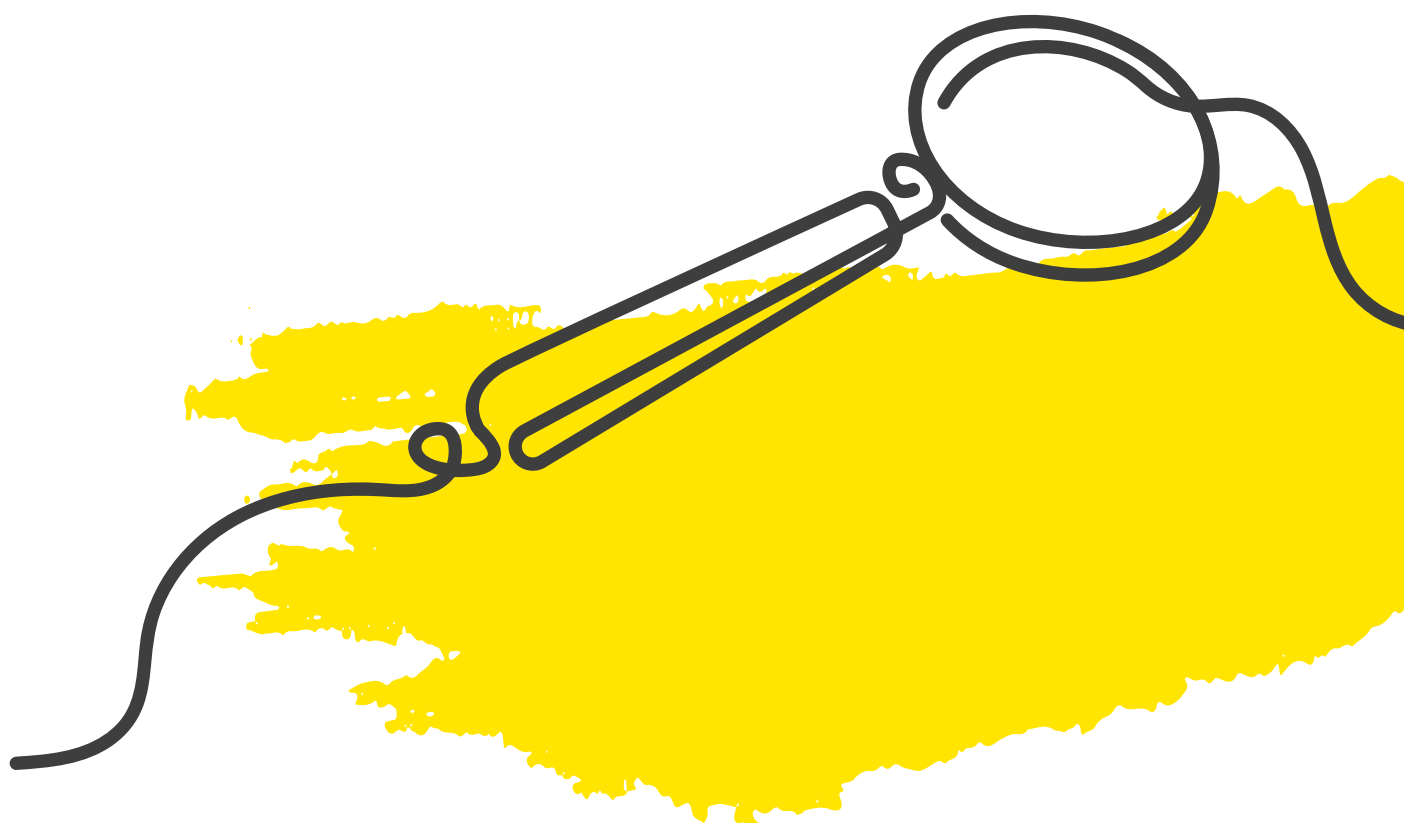
The questionnaire includes questions that relate to specific violations and questions that, if answered positively, indicate that the supplier is making efforts to prevent the violation of their obligations (including in its own supply chain).

Sanctions and embargoes always have the immediate effect of excluding the supplier from procurement.

3.1.3 Potential Risk Analysis Of Indirect Suppliers

The DS Group Whistleblower System is set up in such a way that it enables individuals to report human rights or environmental risks and violations of human rights or environmental obligations caused by the business activities of an indirect supplier.

If there are actual indications or substantial knowledge of violations of a human rights or environmental obligation with regard to an indirect supplier, a risk analysis must also be carried out for these suppliers – analogous to the risk analysis for direct suppliers.



3.1.4 Ad Hoc Risk Analysis

In the event of a significant change in the business activities of the DS Group or a direct or indirect supplier, an ad hoc risk analysis should be carried out in line with the risk analysis processes described.

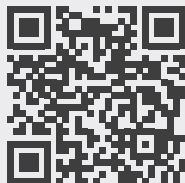
A risk analysis is also required when reports via the Whistleblower System or adverse media indicate risks.

3.2 Preventive Measures and Remedial Actions

Preventive Measures

Our **Sustainability Program** has already developed a preventive approach that focuses our actions on protecting people and the environment. Based on an assessment of risks, impacts and opportunities, we define our key sustainability topics as well as specific areas of action and targets and continuously develop measures to achieve these targets.

Our **Code of Conduct** is a sustainable framework of action for all employees and our **Supplier Code of Conduct** sets out the conditions for our collaborations with our Business Partners. By documenting binding measures and targets, these guidelines form an important instrument for making our scope of business and our supply chains more sustainable.



Download brochures

On our website you will find an overview of all important documents available as downloads:
www.ds-bremen.com/en/responsibility





The results of the **risk analysis** described above are incorporated into the relevant business processes and supplier management systems. The procurement processes for suppliers and the procurement itself comprise various measures for assessing and minimizing risks, including a multi-stage supplier evaluation process (supplier screening/KYC) and an approval process.

In addition, regular **internal training courses**, workshops and discussions are held with the relevant specialist departments to enable employees to identify human rights and environmental risks. We also work together with our suppliers in their **audits** and **certifications**.

As a further preventive measure, a **Whistleblower System** has been implemented, which gives both the DS Group employees and external parties the opportunity to report violations of legal rights protected by the Supply Chain Act in their own business area and throughout the supply chain.

Remedial Actions

If we nevertheless recognize that we, as the DS Group, or our direct or indirect suppliers have violated or are about to violate human and/or related environmental rights, we must take immediate remedial action to prevent, end or minimize the violation. When taking remedial action, we differentiate between violations in our own scope of business and at a direct or indirect supplier.

In our own scope of business: If the behavior of our employees leads to a violation of human rights or related environmental rights, we will take immediate action and impose sanctions.

Direct suppliers: In cases of violation by a direct supplier, we will oblige the direct supplier to implement remedial measures and to cooperate appropriately to remedy the situation rapidly and/or to prevent, mitigate or remedy the possible violation. Depending on the extent of the infringement, the DS Group will have the right to temporarily suspend the business relationship or, as a last resort, to terminate it.

Indirect suppliers: In this case, the DS Group will take action if it has substantiated knowledge. We will initially respond to justified suspicions of violations that have already occurred or specific indications from ongoing media monitoring with an ad hoc risk analysis. If this risk analysis leads to specific indications that there is a possible violation of human rights or environmental obligations by an indirect supplier, we will take appropriate preventive measures, such as implementing control measures or drawing up and implementing a concept for prevention, termination or minimization.

3.3 Whistleblower System

Our Whistleblower System is available to all employees, Business Partners and third parties for reporting violations of the Supply Chain Act, other laws and guidelines, or this Statement of Principles. Our Whistleblower System accompanies the process from the submission of the report to the conclusion of the procedure. The Whistleblower System ensures maximum confidentiality and anonymity on request. We value fairness in our dealings with all parties involved in the respective process and view the appropriate and effective handling of concerns as part of our corporate due diligence. The principle of proportionality is always upheld and consequences that are fitting, necessary and appropriate are examined in each individual case. The Whistleblower System is available on our website:

www.ds-bremen.com/en/whistleblowing-process



Reports can also be submitted at **compliance@ds-bremen.de**. The principles of confidentiality, fairness and proportionality outlined above also apply here.

3.4 Effectiveness Monitoring and Documentation

The DS Group will review the effectiveness of the control and the preventive and remedial measures implemented, as well as the systems in place to ensure compliance with the Supply Chain Act once a year and on an ad hoc basis. We continuously document the execution of our due diligence obligations and retain this documentation for at least seven years.

3.5 Responsibilities

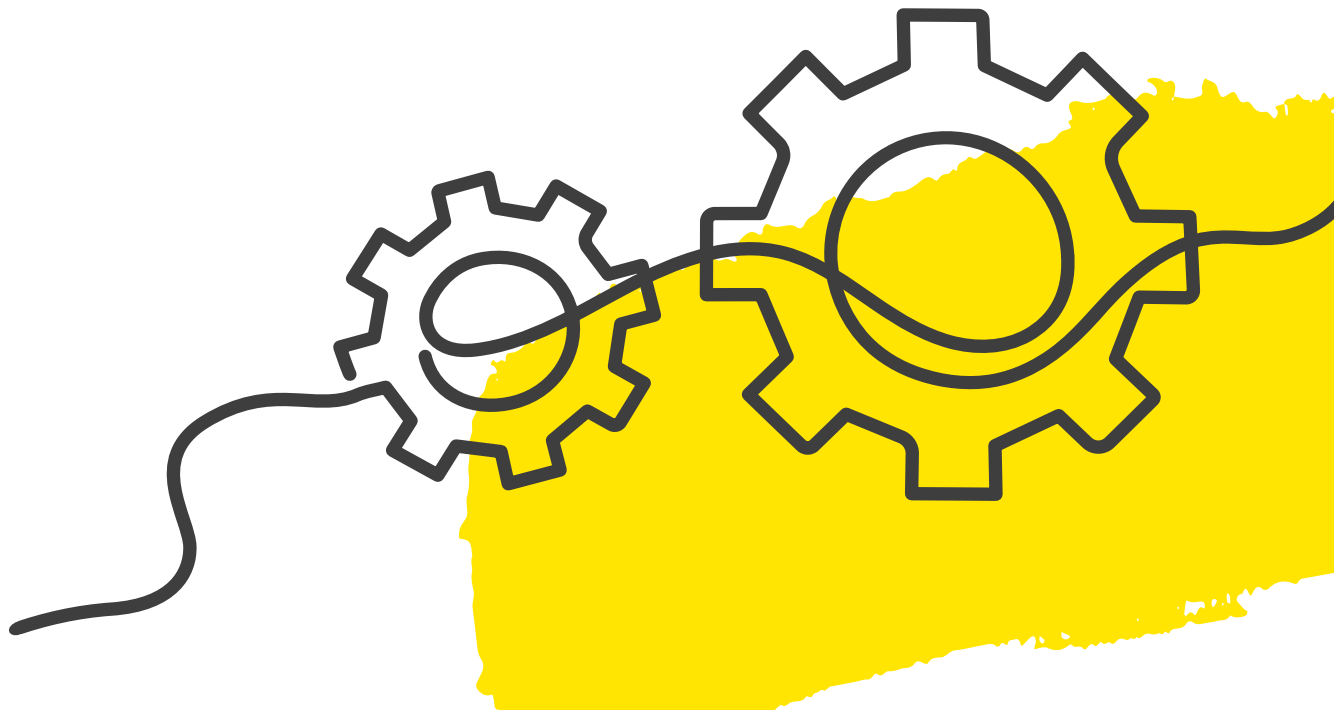
This Statement of Principles was developed by *Corporate Compliance* and verified by the management of Diersch & Schröder GmbH & Co. KG as binding within the DS Group.

A *Board of Directors ("BoD") for Human Rights* at Diersch & Schröder GmbH & Co. KG has been established to support the implementation of the requirements of this Statement of Principles in the affiliated companies and to monitor risk management and its effectiveness. It is also responsible for ensuring that training and audits are developed and carried out, that external reporting on human rights due diligence is carried out and that the management of human rights and environmental due diligence is continuously reviewed and improved.

3.6 Outlook and Reporting

The DS Group is aware that the implementation of human rights due diligence in its own business activities and in supply chains is an ongoing process. The DS Group accepts this challenge and regularly reviews its strategic approaches and measures with the aim of continuous improvement. The DS Group provides regular and transparent information on implementation and strategic developments as part of its regular sustainability reporting to both internal and external stakeholders.

Where required by law, the DS Group will prepare a human rights report, publish it and submit it to the German Federal Office of Economics Affairs and Export Control (*Bundesamt für Wirtschaft und Ausfuhrkontrolle, BAFA*).



ENERGY

Better together for **mobility, heat**
and electricity – that's what drives us.

CHEMICALS

Our **additives** lubricate industrial production
equipment and protect banana plants.

YOUNG BUSINESS

Start-ups help the DS Group to stay **young** and **innovative**.