

# everdrop GmbH

## HUMAN RIGHTS POLICY

Statement of Principles on the Respect for Human Rights  
Sustainable Cleaning Products · B2B & D2C · Worldwide

|                  |                                                                                                              |
|------------------|--------------------------------------------------------------------------------------------------------------|
| Scope            | everdrop GmbH incl. all subsidiaries, supply chains and business partners worldwide                          |
| Legal Basis      | LkSG · EU CSDDD · UN Guiding Principles (UNGPs) · ILO Core Conventions · UN Global Compact · OECD Guidelines |
| Responsible      | C-level                                                                                                      |
| Reporting System | Confidential & anonymous: <a href="mailto:hint@everdrop.de">hint@everdrop.de</a>                             |

*This Statement of Principles is binding for the entire everdrop GmbH – our employees, management and all business partners worldwide. It reflects our conviction that sustainable business success and respect for human rights are inseparable.*

# 1. Management Board Commitment

everdrop is a medium-sized company that develops, produces and distributes sustainable cleaning and household products – in the B2B sector, through direct-to-consumer channels and via retail partners. Sustainability is not only at the core of our products, but also at the heart of our business conduct.

We are fully committed to respecting internationally recognised human rights. This applies to our own operations, our entire supply chain and all our business relationships. We understand human rights due diligence not as a one-time act, but as a continuous learning process – consistent with our approach to environmental sustainability.

*We are convinced that businesses can only thrive in the long term in societies where human rights are respected and protected. (Based on Unilever Human Rights Policy Statement, 2023)*

This Statement of Principles is binding for all employees and managers of everdrop GmbH. We also expect compliance with these principles from our suppliers, subcontractors and other business partners.

# 2. International Frameworks & Legal Basis

Our human rights due diligence obligations are based on the following internationally recognised standards:

| Framework                                     | Relevance for everdrop                                                                                            |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| LkSG (German Supply Chain Due Diligence Act)  | German law; proactive implementation even as an SME, as retail partners such as dm require corresponding evidence |
| EU CSDDD                                      | EU Supply Chain Directive; phased obligation for medium-sized companies from 2026–2029                            |
| UN Guiding Principles (UNGPs)                 | Key document for corporate due diligence; basis of our HRDD framework                                             |
| ILO Core Conventions (8 Conventions)          | Fundamental labour rights: freedom of association, forced labour, child labour, discrimination                    |
| UN Global Compact                             | 10 principles on human rights, labour, environment and anti-corruption                                            |
| OECD Guidelines for Multinational Enterprises | Standards of conduct for responsible business along the value chain                                               |
| UN Convention on the Rights of the Child      | Protection of children’s rights in supply chains and at the workplace (ILO No. 138 & 182)                         |
| HinSchG (German Whistleblower Protection Act) | Protection of whistleblowers pursuant to the EU Directive and German law                                          |

Where national law and international human rights standards diverge, we aim to comply with the higher standard.

## 3. Our Expectations – Protected Human Rights

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The following requirements apply equally to our own operations and to all business partners.

### 3.1 Prohibition of Forced Labour and Modern Slavery

All forms of forced or compulsory labour pursuant to ILO Convention No. 29 are strictly prohibited. This includes debt bondage, human trafficking, forced overtime and the withholding of identity documents. All work must be performed voluntarily and without the threat of sanctions. Every worker has the right to terminate their employment relationship in compliance with applicable statutory notice periods.

### 3.2 Prohibition of Child Labour

Child labour is prohibited in any form. The minimum age for employment must not be below the age at which compulsory schooling ends – and in no case below 15 years of age (ILO No. 138). Young workers between 15 and 18 years of age must not work night shifts, in hazardous conditions, or in any way that impairs their education or development. The worst forms of child labour as defined in ILO Convention No. 182 are absolutely prohibited.

### 3.3 Health & Safety in the Workplace

We promote a safe and healthy working environment in accordance with ILO Convention No. 155. This includes: adequate safety standards and personal protective equipment, measures to avoid exposure to hazardous substances (particularly relevant in cleaning product manufacturing), protection from excessive physical and psychological strain, and regular health and safety training. Products and raw materials supplied to us must meet applicable legal safety requirements.

### 3.4 Freedom of Association & Collective Bargaining

We recognise the right of all workers to join or establish trade unions and employee organisations, and the right to collective bargaining (ILO No. 87 & 98). Discrimination, intimidation or retaliation based on trade union activities are prohibited. In countries where this right is restricted by law, we support alternative forms of worker representation.

### 3.5 Non-Discrimination & Equal Opportunity

We do not tolerate any discriminatory practices based on age, ethnic background, nationality, gender and gender identity, physical or mental abilities, religion and belief, sexual orientation, social background, family status or political affiliation (ILO No. 111). Recruitment, remuneration, promotion and training are based solely on qualifications and performance. Equal pay for equal or equivalent work (ILO No. 100) is mandatory.

### 3.6 Fair Remuneration

All workers receive at minimum the statutory minimum wage. We aim to provide remuneration that enables a decent living (Living Wage). Unlawful wage deductions or withholding of wages as a penalty are prohibited. Wages and social benefits are paid regularly and on time.

### 3.7 Reasonable Working Hours

Rest and leisure periods, limitations on maximum working hours, and the right to paid annual leave – including sick leave – must be ensured in accordance with applicable national regulations. We strive to offer flexible working arrangements and promote work-life balance.

### 3.8 Environment-Related Human Rights

As a manufacturer of sustainable cleaning products, we bear a particular responsibility. Activities that cause harmful changes to soil, air or water must be avoided. Specifically prohibited are: contamination of drinking water sources, use of banned chemicals (REACH, Stockholm Convention, Minamata Convention), unlawful land expropriation, and disregard for the rights of local communities and indigenous peoples.

## 4. Human Rights Due Diligence (HRDD) – Our 6-Step Framework

Our HRDD framework is aligned with the 6-step model of the OECD Guidelines for Multinational Enterprises, which is based on the UN Guiding Principles (UNGPs) (cf. Schindler Human Rights Policy, Annex 2, 2022).

| Step                                           | Measure                                                                                     | Frequency                     |
|------------------------------------------------|---------------------------------------------------------------------------------------------|-------------------------------|
| 1. Policy Commitment                           | Adoption and communication of this policy internally and externally                         | Upon adoption; annual review  |
| 2. Identify & Assess Risks                     | Structured risk analysis: own operations + supply chain (raw materials, countries, sectors) | Annually + on an ad hoc basis |
| 3. Cease, Prevent or Mitigate Negative Impacts | Preventive measures, supplier code of conduct, contractual clauses, audits                  | Ongoing                       |
| 4. Embed & Integrate Due Diligence             | Integration into procurement, HR, QM and corporate governance; training                     | Ongoing                       |
| 5. Track & Communicate Performance             | KPIs, sustainability report, external communication in line with LkSG                       | Annually                      |
| 6. Enable Remediation & Grievance Mechanisms   | Confidential whistleblowing system, complaints procedure, corrective action plans           | Ongoing                       |

### 4.1 Risk Analysis

We conduct annual and ad hoc risk analyses covering both our own operations and all direct and indirect suppliers. Data sources include: ILO and UN statistics, the Corruption Perceptions Index (Transparency International), the Global Slavery Index, and the amfori BSCI country risk classification. Potential risks are assessed and prioritised from the perspective of those potentially affected (rights holders).

Prioritised risk areas for everdrop:

- Occupational safety and discrimination at suppliers in emerging markets
- Human rights in the palm oil and surfactant supply chain
- Rights of seasonal workers in fragrance and vegetable oil production
- Child and forced labour in raw material extraction

### 4.2 Measures & Prevention

- Supplier Code of Conduct as a binding part of all supply contracts
- Risk-based supplier audits (third-party, announced or unannounced)
- Preference for raw materials sourced from Germany/Europe for shorter, more transparent supply chains
- Where sourcing from Germany/Europe is not possible: preference for raw materials from certified growing regions

## 5. High-Risk Raw Materials in Cleaning Product Manufacturing

As a cleaning product manufacturer, we identify the following raw material categories as particularly risk-relevant.

| Raw Material / Category                                  | Typical Risks                                                                    | Our Measures                                                                   |
|----------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Palm oil & palm kernel oil (surfactants, fatty alcohols) | Deforestation, land rights, smallholder farmers, seasonal workers                | RSPO-certified sourcing (min. Mass Balance); FONAP membership/support targeted |
| Coconut oil & glycerine derivatives                      | Child labour on plantations, unfair wages                                        | Transparency to plantation level; certification preferred                      |
| Sugarcane derivatives (e.g. bioethanol)                  | Fair wages, working conditions during harvest season                             | Supplier audit on working conditions; code of conduct mandatory                |
| Fragrances & essential oils                              | Seasonal workers in harvest, rights of indigenous communities, FPIC obligation   | Origin verification; FPIC principle; certified sources preferred               |
| Packaging (recycled plastic)                             | Informal waste collectors in developing countries without protection or fair pay | Transparency in recycling supply chain; European sources preferred             |

*Target: In the medium term, we aim to source all palm-based raw materials at minimum to RSPO Mass Balance (MB) standard – for direct palm oils/palm kernel oils, Identity Preserved (IP) or Segregated (SG) is preferred. Book & Claim certificates are accepted only as a transitional measure where MB is unavailable.*

## 6. Requirements for Suppliers & Business Partners

### 6.1 Supplier Code of Conduct – Minimum Requirements (non-negotiable)

- Compliance with all applicable local laws and statutory minimum wage requirements
- Zero tolerance for child labour and forced labour in any form
- No physical, psychological or sexual harassment or violence
- Safe working environment and personal protective equipment
- Permission for audits by everdrop or authorised third parties
- Cascading of these requirements through their own supply chain (cascade principle)

### 6.2 Risk-Based Supplier Classification

We classify suppliers by risk level in accordance with recognised standards (amfori BSCI country risk classification):

| Risk Level | Criteria                                                                                              | Requirements                                                                                             |
|------------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| High       | Emerging markets with known human rights issues; high-risk raw materials such as palm oil, fragrances | Corrective Action Plan (CAP) in case of non-conformities; enhanced monitoring; annual third-party audits |
| Medium     | Known risk factors, e.g. suppliers in Eastern Europe or Asia                                          | Self-assessment + spot audits every 2 years; signed code of conduct                                      |
| Low        | Established suppliers in countries with robust legal systems (primarily Germany/EU)                   | Basic review; self-declaration every 3 years; standard contractual clauses                               |

Termination of a business relationship is considered a last resort (ultima ratio). Where violations are identified, corrective action plans (CAPs) are first agreed upon, taking into account the impact on affected persons and prioritising collaborative solutions. Building long-term supplier relationships with active engagement has proven effective (cf. dm procurement strategy).

## 7. Grievance & Whistleblowing System

Despite comprehensive due diligence, violations of human rights cannot be entirely ruled out. In such cases, we strive to achieve effective and case-specific remediation promptly. To this end, we have established an accessible, confidential and anonymous reporting system – available to employees, supplier employees, customers and all other stakeholders.

### 7.1 Reporting Channels

| Channel              | Contact                                                              | Available to     |
|----------------------|----------------------------------------------------------------------|------------------|
| Email (confidential) | hint@everdrop.de                                                     | All stakeholders |
| Post (confidential)  | everdrop GmbH, Attn: Regulatory, Isarwinkel 2, 81379 Munich, Germany | All stakeholders |
| Internal reporting   | Confidentiality Box (via intranet) or HR department                  | Employees only   |

### 7.2 Procedural Guarantees

- Acknowledgement of receipt to the reporting person within 7 days of receiving the report
- Initiation of appropriate follow-up measures
- Notification to the reporting person of follow-up measures taken within 3 months
- Possible follow-up measures (pursuant to §18 HinSchG):
  - Initiation of internal investigations
  - Possible measures to address the issue
  - Referral to other channels or procedures for reports

- Closure of proceedings due to insufficient evidence or other reasons
- Referral to a competent authority
- Confidential and fair handling of all reports
- No disadvantage or retaliation against whistleblowers (HinSchG, EU Whistleblower Directive)
- Findings feed into the continuous improvement of due diligence processes

*Target: In the medium term, we aim to establish a web-based reporting system in multiple languages, accessible to all stakeholders in our global supply chain.*

## 8. Equality, Diversity & Inclusion

We regard diversity, equity and inclusion as an integral part of our human rights strategy. We publicly commit on our website (<https://www.everdrop.de/about-us/jobs#values>) to the JEDI principles (Justice, Equity, Diversity, Inclusion). We understand these principles as the foundation of our everyday conduct – both internally in recruiting and our workflows, and externally in relation to our customers and society.

We also recognise the connection between climate and environmental change and human rights: we explicitly view our measures to reduce environmental impacts through a human rights lens as well.

## 9. Roles & Responsibilities

| Function / Area          | Responsibility                                                                                |
|--------------------------|-----------------------------------------------------------------------------------------------|
| Management Board         | Overall responsibility; annual review of the policy; resource allocation; role model function |
| Regulatory               | Processing of complaints; reporting to Management Board                                       |
| Procurement & Operations | Supplier selection and audits; contract design; raw material risk analysis                    |
| People and Culture       | Training programmes; internal complaints handling; protection against discrimination          |
| Quality Management       | Integration into QM system; documentation; internal audits                                    |
| Sales                    | Communication of the policy to retail partners; cascading of requirements                     |
| All Employees            | Compliance with the policy; reporting of violations; mandatory annual training                |

## 10. Reporting & Transparency

- Publication of this Statement of Principles on everdrop.de
- Reporting in accordance with the LkSG (as and when required)
- Measurement of effectiveness through KPIs (e.g. share of audited suppliers, training completion rate, number of complaints)

## 11. Consequences of Violations

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### 11.1 Internal Violations (Employees)

- Immediate documentation and internal investigation
- Measures proportionate to the severity: discussion → formal warning → termination
- In the case of criminal offences: referral to the competent authorities

### 11.2 External Violations (Suppliers & Partners)

- Immediate escalation in the event of serious violations
- Development of a Corrective Action Plan (CAP) with a defined timeline
- Monitoring of implementation by everdrop or authorised third parties
- In the absence of progress: temporary suspension of deliveries
- Last resort (ultima ratio): termination of the business relationship – taking into account the impact on affected persons

## 12. Validity

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This policy is reviewed at least once a year. In the event of significant changes in the legal landscape, corporate structure, or identified risks, an extraordinary review will take place. We understand human rights and environmental due diligence as an ongoing process, not a completed state.

Valid from: 1.July 2026