

HydraSpecma Sustainability Strategy and Policy

Purpose of application

At HydraSpecma, we strive to be a sustainable company and integrate environmental and social considerations in all our actions and processes, making sustainability a key factor in HydraSpecma's everyday life. We aim to have zero environmental impact across our value chain. This mission is organized across the company and well-integrated into the company through our sustainability strategy towards 2030: **Our Future – Our Responsibility**.

We experience an increasing demand for Corporate ESG structures, Climate Accounting, Sustainable Due Diligence, Circular Economy, and Sustainable Practice Transitions, leading to the interest of developing long-term solutions for the global challenges, increased consumption, and the scarce resource amount affecting human and the environment, which we are globally facing. HydraSpecma's sustainable strategy and policy is an opportunity for accelerating the sustainable transition within our specific corporate business area. Being sustainable role models and considering the sustainable advantages to get there, is a high priority for HydraSpecma.

Scope of application

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 actions and have prepared a sustainability strategy and policy, which sets targeted actions of reducing our impact towards 2030 and raise our corporate sustainability according to the UN Global Compact, Sustainable Development Goals (SDG's) and European legislation.

The fundamental principles of this strategy and policy applies to all HydraSpecma's employees, operations, and operational sites. The measures of this sustainable strategy and policy are an integrated part of HydraSpecma, ensuring timely and relevant development for sustainable environmental, social, and corporate governance engagement across the organisation. The strategy and policy address our most improvable areas of interest, to meet stakeholder expectations.

Roles and responsibilities

Our Sustainable Strategy and Policy apply to all prospective and current employees of the company.

Policy Authorized	Policy Owner	Last review	Next review
Morten Kjær Group CEO	Daniel S. Andreasen Director of Group Strategy & ESG	14/01 - 2026	14/01 - 2027

	
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HydraSpecma Sustainability Principles

Corporate sustainability promotion

At HydraSpecma, we strive to integrate environmental, social, and sustainable corporate governance measures into all our operational activities, across our value chain, in line with the UN global compact, SDG's and European legislation, for holistic sustainability perception and implementation of initiatives.

Sustainability law and regulation compliance

HydraSpecma's sustainability strategy and policy for employees must comply with international requirements, standards, reporting and national/local legislation. HydraSpecma will remain compliant to all legislation and regulations and set a high standard for our ethical sustainable behaviour.

Improved monitoring & reporting for sustainable transparency

At HydraSpecma, we support sustainable transparency and report on sustainable measure monthly, disclosing progress within our environmental, social, and corporate governance areas of interest, culminating in an annual corporate sustainability report published each year. We are active in sustainability networks and openly collaborate and promote sustainability, for sustainable transparency.

Continuous sustainable improvement

At HydraSpecma, we are determined to continuously develop and implement relevant guidelines to streamline our sustainable practices across our value chain. We believe in the strength of continuous improvement, and as sustainability is an area where new knowledge, legislation and technology is developing rapidly, we believe this is of vital importance for us to deliver the most sustainable products and systems as possible.

HydraSpecma Sustainability Strategy areas and actions of interest

HydraSpecma's sustainable strategy, *Our Future – Our Responsibility*, considers all three pillars of corporate ESG sustainability practices (Environment, Social and Corporate Governance) and is our

promise to take responsibility and contribute to mitigate any negative impact globally, we could have enhanced.

Environmental Sustainability

At HydraSpecma, our immediate environmental goal towards 2030, is to reduce our direct and indirect emissions with 50% relative to our baseline year 2020 and our complete value chains emissions with 45% relative to our baseline year 2021.

We strive to achieve this by working actively with our corporate activities and value chain, which means that we will, among others, be working for reducing energy consumption and CO2 emission, ensure dedicated waste management practices and enhance material usage through recycling, integrate environmental assessments and embedding a circular-mindset and sustainable development.

Social Sustainability

At HydraSpecma, we are committed to strengthening our corporate social responsibility and employee satisfaction across the value chain, by implementing improvement initiatives and ensuring policies for enhancing work environment.

At HydraSpecma, our employees' health and safety are the top priority. We aim to create a safe and accident-free workplace, with high employee satisfaction, why we continuously measure and improve our health and safety performance throughout the value chain.

We advocate the value of equal opportunity and diversity, why it is our priority not to discriminate based gender, ethnicity, age, religion, sexuality, or any other factors throughout our value chain.

At HydraSpecma, we are against all kinds of child and forced labor. Across the value chain, we are committed to respect and comply with international labor standards as defined by the International Labor Organization (ILO), the United Nations Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, which are pervasive element of our code of conduct.

Corporate Governance Sustainability

At HydraSpecma, we have zero tolerance towards fraud, bribery, corruption, and anti-competitive behavior. We make it our priority to do conduct business decently and respectfully, why we educate all employees accordingly to mitigate any negative impacts and have a whistleblower system and policy for any misconduct ([Link](#)).

Through corporate governance, HydraSpecma's goal is to improve our performance actively and continuously in the value chain and align with the newest knowledge, report processes, comply with legal requirements and improve our policies accordingly, to promote transparency and enhancing our stakeholder relationships, to ensure responsible and sustainable business development.

To reach our Sustainable targets, we have set up policies and KPI's to measures and report on our environmental performance, as well as social and corporate governance, to ensure correct and timely development, through a sustainability software and corporate learning platforms.



Sustainable Development Goals commitment

We, at HydraSpecma, believe that the United Nations Global Compacts Sustainable Development Goals (SDGs) are a long-term responsibility to help make the world a better place. As part of our sustainable strategy, to focus our sustainable efforts and ensure sincere sustainable development, we have committed and dedicated ourselves to focus our efforts on goal 8, 12, and 13, where we believe we can make an impact and a difference through our business processes.

Goal 8: Decent work and economic growth

Through our global presence we create workplaces in many different countries, and continuously invest in developing presence and good working environment. One of our core values is “Results are created by People” and with this exact value in mind it is essential to us that our employee worldwide is working under respectable and decent conditions.

We are committed to our employees and utilize our ISO 14001 and ISO 45001 certification to continuously audit our different departments and suppliers all over the world to ensure the best possible working environment, a high level of work safety, equality, and healthy conditions for our employees.

Goal 12: Responsible consumption and production

By continuously implementing sustainable practices across our value chain, we strive to improve our impact and take responsibility for our actions. We want to ensure sustainable consumption and production patterns, which means that we are daily looking into improve our processes towards and utilize our ISO 14001 and ISO 9001 certification to continue:

- Sustainable Sourcing
- Resource efficiency of products and services
- Material management and recycling
- Sustainable procurement practices
- Product and service information and labelling

Goal 13: Climate action

The world is on the threshold to a climate catastrophe, where urgent action to combat the climate change and its impacts are critical for the future state of the world. We are committed to ensure that our actions at HydraSpecma does not contribute to worsening the climate change and limiting global warming to 1.5°C above pre-industrial levels. Why, we are daily looking into improve processes towards and utilize our ISO 14001 certification to continue improving towards:

- Energy Efficiency and green energy
- Environmental investments and corporate implementations
- Reducing GHG emissions
- Risk and opportunities due to climate change