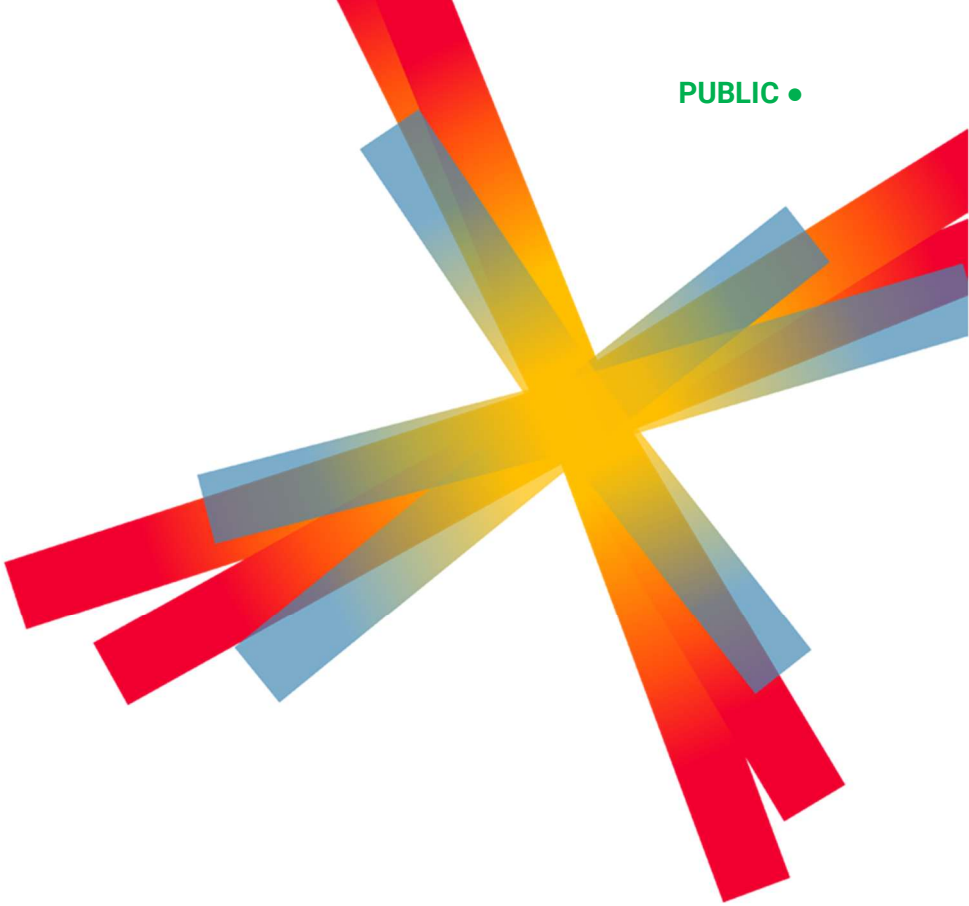
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Labour and Human Rights Policy

PCO.03. 19

2025

sdworx

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1. Introduction

1.1 Purpose

SD Worx is committed to respecting and upholding human rights in all its business activities aligned to our core value statements. The purpose of this Labour and Human Rights policy is to establish our foundational commitment to the International Bill of Human Rights, the International Labour Organization's core labour conventions and the United Nations Guiding Principles on Business and Human Rights (UNGPs).

1.2 Scope

A complement to the SD Worx Code of Conduct and the company's overarching Environmental, Social and Governance (ESG) Policy, the Labour and Human Rights Policy translates our ethical principles into practical commitments for respecting and promoting human and labour rights across our global operations and value chain. Together, these frameworks guide how we conduct business responsibly, empower people, and build a sustainable future.

1.3 Policy Applicability

This Policy applies to:

- All SD Worx workers worldwide (permanent, temporary, fixed-term, part-time or contract) in all our business operations and subsidiaries globally
- The Board of Directors, senior leadership and all personnel acting on behalf of SD Worx.
- Suppliers, contractors, service providers and other business partners, insofar as we can influence their practices.

1.4 Roles and Responsibilities

SD Worx Workers	• Comply with the Labour and Human Rights Policy and related laws in day-to-day business • Report misconduct or (potential) violations of the Labour and Human Rights Policy or related laws
SD Worx Managers	• Raise awareness on labour and human rights within their respective team
SD Worx People Department	• Responsible for implementing this Labour and Human Rights policy • Define training needs, implement appropriate training and communications for SD Worx workers • Act as first point of contact of SD Worx workers for labour and human rights queries • Provide guidance and clarification to managers and workers in human and labour rights matters

SD Worx Legal, Risk and Compliance Department	• Provide guidance to the organization's internal stakeholders in human and labour rights matter • Provide clarification to external stakeholders on human and labour rights matter

2. Principles and Rules

2.1 Prohibition of Child Labour

We strictly prohibit child labour in any form. In the jurisdictions we operate, we adhere to the minimum employment age requirements set by local law or ILO Convention 138 (Minimum Age Convention) — whichever provides the stronger protection.

2.2 Elimination of Forced Labour and Human Trafficking

We reject all forms of forced, bonded or involuntary labour, including human trafficking and modern slavery. This standard applies to all SD Worx entities and our extended value chain.

2.3 Non-Discrimination, Equal Opportunity and Inclusion

We are committed to a workplace that is free from bullying, discrimination, harassment and retaliation throughout the employee life cycle from hiring to professional development, promotion and exit. We promote diversity, equity, inclusion and belonging (DEIB) across all dimensions — including age, gender, birth, disability, ethnicity, family or marital status, health circumstances, nationality, religious/philosophical beliefs, political/syndical opinions, sexual orientation, social or cultural background, part time or alternative working schemes — in line with our Code of Conduct and our DEIB charter for inclusive growth and equal opportunity.

2.4 Freedom of Association and Collective Bargaining

We respect employees' rights to organise, join trade unions or works councils, and engage in collective bargaining, as per local law and ILO Conventions. Where legal restrictions exist, SD Worx supports alternative forms of employee representation to ensure that employees have a voice in workplace matters. Our commitment includes maintaining an open and constructive dialogue with employee representatives and providing transparent information to enable meaningful discussions.

2.5 Fair Wages, Working Hours and Work-Life Balance

We provide clear communication on compensation structures and benefits, monitor compliance with local labor laws and international standards to prevent excessive working hours and guarantee adequate rest periods, offer additional benefits and wellness programs to support employees' overall well-being. We also do regular benchmarking against industry standards to remain competitive and fair.

2.6 Health, Safety and Well-being

We provide a safe, healthy and respectful work environment and continuously improve occupational health and safety systems to adapt to the needs of our workforce and to the applicable regulations in the countries we operate. We promote mental, physical and social well-being as a shared responsibility across all teams and geographies through different forms of training, employee health and wellness programs accessible in multiple languages.

2.7 Privacy, Data Protection and Digital Ethics

As a leading HR and payroll solutions provider, we are committed to data protection, privacy and responsible use of technology [*Ref.4*]. In our usage of automation and AI applications, SD Worx commits to respect human dignity, avoid bias, and enhance the future of work rather than replace meaningful work [*Ref.5*].

2.8 Training, Awareness and Empowerment

We promote a culture of respect through:

- Mandatory training of SD workers on our Code of Conduct, on ethical behaviour, risk and compliance as well as data privacy and security;
- Regular communication campaigns on workers' rights and fair labour standards;
- Accessible grievance channels and whistle-blowing mechanisms, ensuring anonymity and protection from retaliation;
- Continuous dialogue with our workforce through anonymous employee surveys, employee representatives and works councils.

2.9 Due Diligence and Third Party Risk Management

SD Worx maintains a human-rights due diligence process integrated into Third Party risk management. This includes:

- Assessing and monitoring external partners regularly against labour and human rights clauses set in our Supplier Code of Conduct
- Embedding contractual human-rights provisions in external supplier agreements;
- Conducting targeted audits or reviews where risks are identified;
- Taking prompt corrective action where non-compliance occurs.

2.10 Grievance and Remediation

SD Worx provides confidential reporting mechanisms for employees and third parties to raise concerns related to human or labour rights.

All grievances are handled fairly, promptly, and transparently, with protection from retaliation.

Where SD Worx identifies that it has caused or contributed to harm, it commits to take or support appropriate remediation measures.

2.11 Monitoring, Reporting and Continuous Improvement

We monitor and disclose our social sustainability progress through measurable performance indicators required by applicable laws and standards. We are regularly assessed by external parties on our sustainability performance.

3. Reporting Concerns

3.1 Reporting labour and human rights incidents or concerns

We guarantee confidentiality and protection against retaliation for anyone who reports a concern in good faith. Where SD Worx identifies that it has caused or contributed to harm, it commits to take or support appropriate measures, including corrective actions and preventive steps to avoid recurrence.

3.2 Non-compliance

Failure to comply with the Labour and Human Rights Policy and more generally with laws governing labour and human rights could have serious consequences for SD Worx and the SD Worx workers or other individuals involved, including civil and criminal sanctions (fines, imprisonment, etc.). SD Worx will not tolerate breaches to this Labour and Human Rights Policy or laws on labour and human rights. For workers of SD Worx, proven non-compliance with this Labour and Human Rights Policy may result in disciplinary sanctions, up to and including dismissal for serious misconduct.

4. Definitions

Term	*Definition*
CSRD	Corporate Sustainability Reporting Directive
ESRS	European Sustainability Reporting Standard
ILO	International Labour Organization

5. Document Control and Revision History

Document Title	Labour and Human Rights policy
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Applicability	SD Worx Group, Suppliers and Customers
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Revision History

Date	*Author*	*Version*	*Changes*
11.04.2025	ESG Office, People Department	1.0	Initial draft
15.12.2025	ESG Office	1.0	Updated & Reviewed by SD Worx departments: People, Health & Safety, Risk and Security, Third Party Compliance, Procurement

			Updated text with revised ESRS S1 provisions and EcoVadis recommendations in 2025 assessment.

Document References

Nr	*Document title*	*Document number*
1	SD Worx Code of Conduct	PCO.03.01
2	SD Worx ESG Policy	PCO.01.11
3	SD Worx HSE policy	PCO.03.09
4	SD Worx Security & Privacy Policy	PCO.02.01
5	Artificial Intelligence Policy	PCO.05.01
6	SD Worx Supplier Code of Conduct	
7	SD Worx DEIB Charter	
8	ESRS S1 – Own Workforce (Simplified ESRS November 2025)	
9	UNGC Human Rights Policy Guide, 2nd Edition	
10	THE INTERNATIONAL LABOUR ORGANIZATION'S FUNDAMENTAL CONVENTIONS	
11	UN Sustainable Development Goals	