

Hydratech Industries Freedom of Association Policy

Consistent with its commitment to Principle 3 of the United Nations Global Compact, Hydratech Industries commits to respecting employees' rights to freedom of association and collective bargaining without interference and free from discrimination, as established in the Freedom of Association and Protection of the Right to Organise Convention (C. 87), and the Right to Organise and Collective Bargaining Convention (C. 98). Hydratech Industries will promote these rights in relations with business partners, as described in the Hydratech Industries Code of Conduct, and will seek to prevent or mitigate any adverse impacts on this right by business partners which are directly linked to Hydratech Industries operations, products or services.

Hydratech Industries will comply with all applicable laws, regulations and collective bargaining agreements. When local law and regulation set lower standards but do not prohibit applying international standards that exceed local law and regulation, Hydratech Industries will apply the international standard. Hydratech Industries will:

- allow employees to freely elect worker representatives (1 of their choice)
- afford facilities to workers' representatives as may be appropriate to enable them to carry out their functions promptly and efficiently, and in such a way that does not impair the efficient operation of Hydratech Industries facilities
- allow worker representatives to consult with management regarding workplace processes through participation in workers councils and cooperation committees
- recognize worker representatives and engage in good faith collective bargaining processes with them
- allow workers to freely elect their own worker representatives in situations where the right to freedom of association and collective bargaining is restricted under law
- conduct due diligence to identify operations in which the right to freedom of association and collective bargaining may be at risk

This policy will be communicated to personnel by providing them with access to this policy and any related standards, and to other stakeholders by communicating internally and externally on progress in implementing this commitment. To ensure the effective implementation of this policy, Hydratech Industries will:

- develop procedures and guidelines consistent with this policy that are appropriate to local conditions and regulations; and
- ensure that a grievance mechanism is available for receiving and addressing complaints of violations of this policy and is communicated to all relevant stakeholders.

The CEO will be responsible for the effective implementation of this policy across all operations owned or managed by Hydratech Industries A/S.

Date & Place

Søren Kringelholt Nielsen
Chief Executive Officer

Relevant Hydratech Industries Policies and Standards: Hydratech Industries Code of Conduct & Hydratech Industries Human Rights Policy.

(1) The term "worker representative" is defined by ILO C.135 Workers' Representatives Convention, 1971, Article 3, "For the purpose of this Convention the term workers' representatives means persons who are recognised as such under national law or practice, whether they are-- (a) trade union representatives, namely, representatives designated or elected by trade unions or by members of such unions; or (b) elected representatives, namely, representatives who are freely elected by the workers of the undertaking In accordance with provisions of national laws or regulations or of collective agreements and whose functions do not include activities which are recognised as the exclusive prerogative of trade unions in the country concerned."