

## **VAG Group**

VAG offers products and services for global water, wastewater, and hydropower applications. As such, VAG makes an important contribution to the UN Sustainable Development Goals (SDGs) for clean water and clean energy, as well as to the sustainable use and protection of water, an environmental objective of the EU Taxonomy Regulation.

In 2019, VAG, in cooperation with the renowned international law firm Baker McKenzie, replaced the previous compliance system with a comprehensive compliance management system tailored to the risks of VAG's business model. With a view to international standards and guidelines (e.g., German law, U.S. FCPA, UK Bribery Act, and ISO 37001), VAG updated its existing policies and procedures in the areas of anti-corruption (including third-party due diligence), antitrust, anti-money laundering, conflicts of interest, and whistleblowing.

At the same time, VAG has improved its governance structure in connection with the adaptation of its content management system. All related initiatives were completed in 2021. VAG strives to advance ESG measures in all other areas as well, and it was decided to implement more holistic environmental and social initiatives in 2021. At the time of writing, VAG has conducted a risk assessment in these areas and has already defined various targets, such as ISO 45001 (health and safety) and ISO 14001 (environment) certifications for all production sites. In addition, VAG will thoroughly review its supply chain and define appropriate measures to ensure that its global sourcing partners commit to the same environmental and social standards as VAG.