

# Code of Conduct for Suppliers



## Social Standards

“Compliance with human rights“

- Rejection of
  - Child labour
  - Slavery and forced labor
  - Deprivation of a decent wage
  - Violations of workers ‘ rights
  - Disregard for occupational health and safety
  - Unjustified unequal treatment
  - Disregard for freedom of association
  - Unlawful use of security forces
  - Disregard for the rights of the local population

## Code of Conduct for responsible sourcing



## Environment

“Responsibility for our environment“

- Environmental sustainability
- Climate protection
- Water consumption and water quality
- Air and soil quality
- Waste and disposal
- Material Compliance



## Compliance

“Compliance with law and justice“

- Avoidance of conflicts of interest
- Free competition
- No bribery or corruption
- Prevention of money laundering
- Data protection and information security
- Customs and export control regulations
- Whistleblower system
- Complaints procedure



# Code of Conduct for Suppliers

CODE OF CONDUCT FOR RESPONSIBLE SOURCING

## Preamble

The Klingele Group is an international group of companies whose success has always been based on economically, ecologically and socially responsible behaviour. Our corporate development is characterized by increasing globalization and the expansion of worldwide business relationships. At the same time, awareness of the social and ecological impacts of entrepreneurial activities is increasingly coming to the forefront of society. Based on our Code of Conduct and our lived values, we at Klingele are aware of our responsibility for the observance of internationally applicable human rights and the protection of our environment.

In close exchange and long-term cooperation with our business partners, we can jointly advocate for the observance of human rights and the sustainable treatment of our environment in our supply chain.

Through this Code of Conduct for Suppliers (hereinafter also referred to as the "Code of Conduct"), we set out our standards for the selection of our business partners, which we apply in addition to criteria such as quality, price and adherence to deadlines. With the principles set out here, we formulate our expectations in the context of responsible procurement. They are therefore part of our General Terms and Conditions of Purchase or our General Terms and Conditions of Service. This Code of Conduct is based on internationally recognized standards, such as the principles of the UN Global Compact, the conventions of the International Labour Organization (ILO) and the BSCI Code of Conduct.

## Principle of Legality

For Klingele, compliance with the duty of legality, i.e. the obligation to carry out all business activities in accordance with the applicable laws and regulations, is a matter of course. We expect the same from our business partners. The duty of legality includes, among other things, compliance with laws relating to taxation, labour and social security law, environmental protection, consumer protection, competition and antitrust law and other relevant areas of law, as well as the prohibition of illegal or unethical acts such as fraud, corruption, money laundering or the violation of human rights.

Our business partners undertake everything possible to comply with all laws and regulations of the countries in which they operate, and in particular to observe human rights and applicable social and environmental standards. They undertake not to participate in human rights violations or bribery offences, either directly or indirectly, either actively or passively.

## Social Standards



### Human rights

We expect our business partners to respect internationally recognized human rights, as formulated in the Universal Declaration of Human Rights of the United Nations (UN) and further elaborated in the UN Guiding Principles on Business and Human Rights.

### Prohibition of child labour

Our business partners are committed to complying with all local laws and regulations regarding the minimum age for employing employees. They commit themselves not to tolerate child labour and adhere to the International Labour Organization (ILO) Conventions No. 138 on the minimum age of employment and No. 182 on the elimination of the worst forms of child labour. The dignity and rights of children must be respected at all times and they must be protected from any kind of exploitation.

### Prohibition of slavery and forced labour

Our business partners strongly oppose all forms of slavery, forced or compulsory labour, including government-mandated forced labour, debt bondage, servitude, human trafficking and oppression in all forms without form and without distinction for all people. ILO Conventions No. 29 and No. 105 on the Elimination of Forced or Compulsory Labour must be complied with by our business partners. Employment relationships are voluntary and based on mutual consent, without the threat of punishment. Employment contracts must be drafted in accordance with national legislation and must be clear and transparent. Before commencing the employment contract, our business partners must ensure that the employee has been informed about rights, obligations and working conditions in a way that is understandable to him.

You have the freedom to terminate the contract, change your employer or return to it. The employee may not be charged recruitment fees or deposits or other costs to take up employment, as well as excessive rents for accommodation provided.

### Prohibition of deprivation of adequate pay and violation of other workers' rights

The business partners guarantee fair working conditions, in particular performance-related remuneration and social benefits.

The agreed fee is to be paid regularly, punctually and in full by our business partners. The employee must be remunerated appropriately. The salary is in accordance with the respective national minimum wage laws or agreements reached in collective bargaining, whichever is higher. Working hours and vacation regulations are in accordance with local legislation and collective bargaining agreements agreed within the company.

Contributions to social security and other compulsory insurances are to be paid by our business partners in accordance with the applicable regulations.

A decent working environment must be created in which, among other things, access to clean drinking water must be ensured.

### Prohibition of disregard for occupational health and safety

The business partner is responsible for a safe, hygienic and healthy working environment. The relevant national laws and standards for occupational health and safety are complied with by the business partner and appropriate measures are taken to minimize hazards in the workplace as much as possible. In addition to training and instruction of employees on occupational health and safety, this also includes measures to avoid excessive physical and mental fatigue and

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the resulting dangers. Protective measures must be in place to avoid, among other things, hazardous effects of chemical, physical or biological substances. The business partner must ensure that appropriate personal protective equipment is available and used. Health or safety-related incidents in the business partner's company must be documented by the business partner.

## Prohibition of unequal treatment

The business partners guarantee that employees will be treated equally in their employment and will not be discriminated against or harassed on the basis of skin colour, national or ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, trade union membership, religion or belief or any other characteristic that could lead to disadvantage. Equal pay must be paid for comparable tasks and work of equal value. Equal opportunities and equal treatment must be ensured in the recruitment process. Permissible unequal treatment is only permitted within the framework of statutory regulations. Our business partners must comply with relevant national legislation and ILO Convention No. 111 on Discrimination in Employment and Occupation.

## Prohibition of disregard for freedom of association

The right of employees to form or join trade unions must be respected by our business partners. This includes the right to collective bargaining and the right to strike. Workers must not be discriminated against on the basis of membership of a trade union or employee representative. Freedom of association and the right to collective bargaining must be respected by our business partners in accordance with ILO Conventions No. 87 and No. 98.

## Prohibition of the unlawful use of private or public security forces

Our business partners undertake to refrain from hiring or using private and public security forces if, due to a lack of instruction or control on the part of the company, the prohibition of torture and cruel, inhuman or degrading treatment is disregarded during the deployment of the security forces, if life or limb is injured or if the freedom of association and association is impaired.

## Prohibition of disregard for the rights of the local population

Our business partners are not allowed to participate in any unlawful evictions or unlawful deprivation of land, forests and waters. The rights and interests of local communities and indigenous populations must be respected and safeguarded.

## Prohibition of human rights-related environmental changes

The business activities of our business partners must not cause harmful soil changes, water or air pollution, harmful noise emissions or excessive water consumption that significantly impair the natural basis for the preservation and production of food, deny a person access to safe drinking water, impede or destroy a person's access to sanitary facilities, or damage the health of a person.

## Environmental Standards



### Environmental sustainability

We all have a responsibility to protect the natural foundations of life for future generations. This requires a responsible and sustainable use of our environment and natural resources, the preservation of biodiversity and the fight against climate change.

We expect our business partners to comply with the legal requirements for environmental protection and to actively work to reduce their environmental impact. This is done either by means of an environmental management system in accordance with ISO 14001 or by means of appropriate measures which, for example, pursue the objective of environmental protection on the basis of this standard.

### Climate protection

Klingele expects its business partners to actively engage in climate protection, for example through the use of environmentally friendly materials and measures to reduce CO2 emissions and waste as well as to use resources efficiently. Since CO2 emissions are considered to be one of the main causes of climate change, ambitious reduction targets must be set in this regard and transparency must be created with regard to one's own CO2 emissions.

### Water consumption and water quality

Our business partners are committed to complying with the official requirements and standards regarding the use of water, consumption and the quality of wastewater. Our business partners ensure careful use of water as a resource. Particularly in areas with water scarcity, they must ensure that excessive water consumption is not caused, and that the availability of drinking water is not jeopardised.

### Air and soil quality

As part of their business activities, we expect our business partners to actively pursue measures to improve air and soil quality, such as reducing greenhouse gas emissions, reducing pollutants such as particulate matter or nitrogen oxides, and reducing industrial emissions to air and soil. Our business partners must comply with the relevant local legal requirements for air and soil pollution control.

### Waste and disposal

We expect our business partners to reduce waste in an ecologically sensible way, as well as to dispose of it properly. Our business partners must comply with the legal requirements for waste and disposal, in particular the applicable regulations for environmentally sound handling, collection, storage and disposal in accordance with the provisions of the POPs Convention and the prohibition of the export of hazardous waste in accordance with the Basel Convention.

### Material Compliance

Our business partners must comply with the applicable laws and regulations on the declaration and use of materials that are problematic for the environment or health, as well as the use of materials that are known to be mined in violation of human rights.

Therefore, the ROHS Directive and the national implementing regulations, the REACH Regulation and the EU Conflict

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Minerals Regulation or the corresponding local legislation for business partners outside the EU must be complied with.

In particular, the prohibitions on the use of mercury (compounds) in products or in the manufacturing process, as well as the treatment of mercury waste under the Minamata Convention, the prohibition of the production and use and non-environmentally sound handling of persistent organic pollutants (POPs) in accordance with the provisions of the POPs Convention, must be observed.

## Compliance



The business partner is obliged to refrain from conduct that would lead to criminal liability for fraud or breach of trust, insolvency offences, offences against competition, granting of advantages or bribery to a public official or public official, corruption and bribery in the business transactions of persons employed by the Client or other third parties.

Even if the business partner is not subject to any legislation in this regard, the basic elements of a compliance management system should be maintained in accordance with appropriate current standards and norms.

### Conflicts

We expect our business partners to have a professional business relationship with all market participants and to make business decisions that are not influenced by personal interests or considerations. Conflicts of interest are detrimental to free competition and must be avoided, e.g. through disclosure and transparent management.

### Free competition

Our business partners are committed to fair conduct in competition and assure to comply with the applicable laws for the protection of free competition. They do not take advantage of any dominant position they may have and will not enter into any agreements or concerted practices that prevent, restrict or distort free competition in accordance with applicable domestic, EU or foreign antitrust laws. Unlawful price or condition agreements or a division of customers or markets must also be avoided.

### Bribery and corruption

The business partner assures Klingele that it will not violate applicable anti-corruption regulations and that it will not offer or grant any unfair advantages in business transactions or in dealings with public officials.

### Money laundering

Applicable legal provisions for the prevention of money laundering and corresponding reporting obligations are observed by our business partners.

### Data protection and information security

Our business partners are committed to complying with the legal requirements of applicable data protection and information security laws. The right to informational self-determination, the protection of the confidentiality and integrity of personal data as well as the security of business information must be guaranteed, as well as compliance with the statutory retention periods.

Confidential information is exchanged during the business relationship. Our business partners protect this information from unauthorized access, disclosure, and use.

### Customs and Export Control Regulations

Our business partners comply with national and international import and export regulations, customs and export control regulations, as well as applicable economic or trade sanctions and embargoes.

### Whistleblower system

Our business partners must comply with the applicable national and international laws on the establishment of a whistleblowing system and the protection of whistleblowers. Even if the business partner is not subject to any legislation in this regard, there should be a possibility to report violations of the law and suspected cases.

### Effectiveness of these provisions

Should individual provisions of this Code of Conduct be invalid overall validity will remain unaffected. The invalid clause shall be replaced by a provision that comes as close as possible to what we intended together with our business partner with the invalid provision within the meaning of this Code of Conduct.

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## Appeal proceedings

In order to reduce the consequences of violations of laws or this Code of Conduct and to avoid misconduct in the future, suspected cases or violations of laws or this Code of Conduct should be reported to Klingele.

For this purpose, the Klingele complaint procedure is open to business partners and their employees as well as to those affected. Reports can be submitted by telephone, e-mail or via the web-based Klingele whistleblower system. Our business partners inform their employees about this possibility.

Telephonic: Internal Compliance Officer  
Ms. Christina Lauber  
Phone: +49 7151 701 250  
Mobile: +49 173 490 50 83  
Email: christina.lauber@klingele.com

Email: Central Compliance Department  
compliance@klingele.com

Web-based: Klingele whistleblower system  
<https://klingele.integrityline.com>

At the request of the reporter, his or her identity will be treated confidentially. In the Klingele whistleblower system, an anonymous report is possible. Otherwise, the nationally applicable provisions for the protection of whistleblowers apply.

## Implementation of the Code of Conduct

### Compliance

Our business partners must comply with the requirements of this Code of Conduct and oblige their employees as well as their own suppliers and business partners along the value chain to comply with these requirements.

This Supplier Code of Conduct is available at <https://www.klingele.com/en/CodeofConductforSuppliers>

### Controls

We are entitled, including by third parties commissioned by us, to check compliance with this Code of Conduct after appropriate prior notice (e.g. by visiting the production facility and other business premises of the business partner) and will take into account the legitimate interests of the business partner, in particular confidentiality interests.

Upon request, the business partner shall provide information within a reasonable time and provide access to relevant documents. The business partner will provide reasonable assistance to us or the third party engaged by us in the preparation and execution of such investigations at its own expense.

### Prevention and remedial measures

If the business partner is legally obliged to perform special due diligence obligations to protect human rights and the environment, it will comply and implement them. Within the

framework of appropriateness, the business partner must anchor preventive measures in order to comply with the regulations and obligations specified in this Code of Conduct in its business area. These regulations and obligations must be passed on by the business partner within the framework of appropriateness in its supply chain. The business partner must also establish appropriate preventive measures in order to avoid violations of the regulations and obligations of this Code of Conduct by its direct and indirect suppliers.

In the event of violations of the rules and obligations of this Code of Conduct, the business partner undertakes to take appropriate remedial measures in its company or business unit or at its direct supplier in order to put an end to such violations without delay. If this is not possible in the foreseeable future, the business partner must draw up and implement a concept with measures and a concrete schedule for minimizing or ending the violations. In the event that the business partner has indications or facts of a violation by its indirect suppliers, in particular of human rights and the protection of the environment, it must contribute to an end to the infringements to the best of its ability and within the scope of its influence. The business partner shall immediately notify Klingele of any violation of this Code of Conduct and shall inform Klingele of the measures it has taken to demonstrably eliminate the violation and its cause.

### Consequence of violations

In the event of violations of this Code of Conduct by the business partner, Klingele reserves the right to terminate the business relationship or to disregard the business partner in the selection and awarding of orders. In the event of such a breach, Klingele has in particular a right of withdrawal or termination without notice with regard to all existing contracts with the business partner and is also entitled to terminate all negotiations. Any claims for damages by Klingele against the business partner remain unaffected by this.

## Approval of the Code of Conduct for Suppliers of the Klingele Group

The undersigned is authorized to sign for the business partner and hereby declares on behalf of the business partner that the latter has received, checked and accepted the Code of Conduct for suppliers of the Klingele Group and will comply with it.

Business partner: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

For reasons of better readability, the simultaneous use of the language forms male, female and diverse (m/f/d) is avoided. This designation applies equally to all genders.