

Code of Conduct for Suppliers

Introduction

KLK EMMERICH GmbH is committed to ensuring that its products are manufactured in a sustainable manner. This is achieved through continuous assessment of suppliers and the development of operational procedures.

KLK EMMERICH GmbH believes it has an essential role to play in the important development of a sustainable society. Ensuring respect for the human rights of all those who are part of our business is one of our main concerns.

Consequently, we have developed this Code of Conduct for our suppliers. We ask you to sign this Code of Conduct, which also means that you comply with all the requirements expressed in this Code within your business operations and value chain.

The requirements are based on the United Nations Universal Declaration of Human Rights, the EU Anti-Corruption Policy, the United Nations Convention on the Elimination of All Forms of Corruption against Women (CEDAW), the OECD Guidelines for Multinational Enterprises and the relevant ILO conventions and recommendations.

1. Integrity and ethical business behavior

We expect our suppliers to provide their services not only in a sustainable, socially and environmentally aware way, but of course also in an ethically and legally compliant manner at all times. Even the slightest appearance of ethically incorrect behavior should be avoided at all times.

1.1 Legal regulations, standards and compliance with them

Each country has specific applicable laws and regulations or standards. We expect our suppliers and their contractual partners to fulfil all applicable laws, regulations and standards.

In addition, we expect compliance with all applicable trade laws, in particular export, customs and tax laws, sanctions and anti-boycott laws, as well as compliance with money laundering and terrorist financing regulations.

Our suppliers must provide us with all data and information necessary for KLK EMMERICH GmbH to comply with the abovementioned laws and regulations or standards. This includes ensuring that neither the supplier nor his contractual partners, the persons involved in him or persons exercising control over him are listed on relevant sanctions lists.

Our suppliers shall ensure that all taxes, duties and license fees in connection with the extraction, trade and export of minerals in conflict and high-risk areas are levied in accordance with the applicable law.

1.2 Quality and safety standards

Suppliers must comply with the quality and safety standards required by KLK EMMERICH GmbH in accordance with the supplier contract as well as all applicable laws, regulations or standards.

1.3 Traceability

In the case of material deliveries, the traceability of the material along the upstream supply chain must be guaranteed on request wherever possible.

1.4 Avoidance of corruption

KLK EMMERICH GmbH does not accept any form of corruption in any of our business activities in any of the countries in which we operate.

All business should be conducted in fair competition and in accordance with the laws applicable to our suppliers.

1.4.1 Bribes must not be paid or accepted.

1.4.2 In business or government relationships, suppliers should maintain the same high level of business ethics.

1.4.3 An anti-corruption policy should be established and actively practiced by the supplier.

1.4.4 In the event of undue influence, disciplinary action must follow.

1.5 Acceptance and granting of benefits

We would like to inform you that KLK EMMERICH GmbH expects its employees to conduct themselves in business dealings in such a way that no personal dependencies or obligations arise. It is not permitted to influence business decisions or behavior through gifts, incentives or other benefits.

Our employees may not demand, accept, offer or grant any direct or indirect benefits, whether in the form of monetary payments, gifts or other benefits/services. Gifts of money may not be accepted, regardless of the amount. Gifts in kind or invitations must not exceed an appropriate and socially acceptable level. Gifts must not give the impression that consideration is expected and should not be related to business transactions in terms of time or content.

2. Labor standards/labor rights

Every single employee must be treated with dignity and respect.

Our suppliers commit to respecting and observing human rights as fundamental values on the basis of the European Convention on Human Rights and the United Nations Charter. To protect their employees, our suppliers undertake to comply with all laws and regulations as well as standards relating to health and safety in the workplace and are guided by the basic principles of the conventions of the International Labor Organization ('ILO Conventions').

2.1 Fundamental rights

- 2.1.1 KLK EMMERICH GmbH does not accept forced, compulsory or prison labor as defined in ILO Conventions No. 29 and 105.
- 2.1.2 KLK EMMERICH GmbH does not accept any discriminatory treatment on the basis of gender, race, religion, ethnic and social origin, handicap, political opinion, maternity, marital status, age, sexual orientation or trade union membership. All employees, regardless of their origin or employment status, are to be treated equally.
- 2.1.3 Work based on the same experience and qualifications shall be remunerated equally for all employees.
- 2.1.4 Physical punishment or the threat thereof is unacceptable, as are unreasonable training, mental or physical coercion, verbal abuse, sexual or other harassment and injury to employees.
- 2.1.5 Joining or forming a trade union and participating in collective bargaining is a legal right. We want every employee to be able to exercise this right without being threatened or having to fear retaliation, intimidation or other harassment.
- 2.1.6 Employees must have the right to make demonstrations regarding working conditions and the consequences of the company's business activities without risking punishment.
- 2.1.7 Every employee is entitled to a written employment contract that complies with national legal provisions.

2.2 Prohibition of child labor

For KLK EMMERICH GmbH, there is no question of accepting child labor in any form. Persons under the age of 15 are considered to be child labor. In countries referred to in Article 2.4 of ILO Convention No. 138, persons under the age of 14 are already defined as children.

- 2.2.1 Persons between the ages of 15 and 18 may only be employed for non-hazardous work if they have reached the legal age limit for working in the respective country and have completed their compulsory education.
- 2.2.2 The supplier should have an active policy against child labor to ensure that no children are or will be employed.

2.3 Wages and salaries

KLK EMMERICH GmbH expects its suppliers to pay their employees fairly and to comply with the legal regulations (in particular the national mandatory minimum wage) and the minimum standards applicable in the industry.

- 2.3.1 Wages and salaries must be paid regularly, punctually and in full directly to employees.
- 2.3.2 Overtime must be compensated in accordance with the law and applicable collective labor agreements.

- 2.3.3 Employees are entitled to a monthly statement showing all wages and salaries including hours worked, compensation for overtime, any bonuses, legal deductions and other relevant positions.
- 2.3.4 It is not permitted to make unauthorized or illegal deductions from wages and salaries or to withhold outstanding special payments as a disciplinary measure.

2.4 Working hours

KLK EMMERICH GmbH expects its suppliers to ensure that working hours comply with the applicable laws and industry standards.

- 2.4.1 The statutory maximum daily working hours must not be exceeded. In addition, 48 working hours per week should not be exceeded. Overtime should not be a mandatory condition of employment.
- 2.4.2 All employees are the right to statutory compensatory time off. Employees are also entitled to legally permitted absences due to illness or parental leave, without this having any negative consequences.

2.5 Health and safety at work

The health and safety of everyone who may be affected by our business is of the utmost importance to us. KLK EMMERICH GmbH strives for 'Vision Zero'. Our goal is to have no accidents or to prevent accidents that may result from our actions and to eliminate all sources of accidents.

Our commitment goes beyond concern for the well-being of our employees and includes the complete prevention of damage to our environment, public facilities and any property, including our own and neighboring property of others.

We believe that good health and safety performance is not only a legal requirement, but also an essential aspect of achieving our goal of being an excellent place to work and an employer of choice that values its employees. KLK EMMERICH GmbH is certified according to ISO 45001:2018, is constantly developing the system and ensures the qualification of its employees.

As a supplier, we expect you to provide your employees with a safe and healthy working environment.

- 2.5.1 Current risk analyses must be available for all workplaces and activities and corresponding effective safety measures must be defined and documented.
- 2.5.2 Health and safety aspects should be regularly communicated and documented. For new employees, training must be offered in conjunction with the introduction program at the workplace.
- 2.5.3 All employees should be protected from exposure to chemical, biological or physical hazards. In this regard, the protection of pregnant women should be of particular importance.

- 2.5.4 In order to protect and sensitize employees to potential hazards, safety information and education as well as training in connection with hazardous substances must be provided.
- 2.5.5 Free access to hygienic washrooms and clean drinking water must be a matter of course for all employees.
- 2.5.6 If the employees of our suppliers are provided with accommodation, each employee must be granted the right to their own bed. Gender-specific sleeping areas and hygienic facilities must be provided in all cases. Employees must have the right to do whatever they want in their free time.

3. Environmental standards

KLK EMMERICH GmbH is certified in accordance with ISO 14001:2015 (environmental management system) and its working methods comply with the requirements of local and international laws, regulations and standards. The company emphasizes the importance of consistently raising environmental awareness. We believe that energy, water and resources can and should be used efficiently.

We expect our suppliers to comply with current environmental legislation in all aspects of their business operations and to hold all legally required permits, licenses and registrations necessary for their business.

- 3.1 We expect our suppliers to maintain a comparable environmental management system in order to reduce risks to the environment. The environmental performance of the respective company should be continuously improved.
- 3.2 Any waste, wastewater or emissions with the potential to cause harm to people or nature must be adequately controlled, managed, stored and disposed of.
- 3.3 In the event of an accidental environmental emergency, each supplier should have a contingency plan. Avoiding such emergencies should be a top priority. In the event of an emergency, the local competent authorities should be informed immediately.

4. Management system

We expect our suppliers to work in accordance with the commitments and requirements of this Code of Conduct. We encourage each supplier, if it does not have its own Code of Conduct with the minimum standards outlined here, to implement this Code of Conduct in its existing management systems or in a management system. Only clearly communicated roles and responsibilities and a functioning system of rules can guarantee successful compliance with a code of conduct.

5. Compliance

The Code of Conduct is an integral part of the contractual relationship with suppliers.

By signing this document, the supplier agrees to the obligations and requirements set out in the Code of Conduct as part of the business relationship and in particular expressly commits

- to always act responsibly and ethically correct and to comply with the obligations and requirements of this Code of Conduct in the sense of minimum standards;
- to pass on the principles of this Code of Conduct to its suppliers, subcontractors, authorized persons and other contractual partners along the value chain in an appropriate manner and to require them to comply with it;
- to communicate the content of this Code of Conduct to its own employees in a comprehensible manner, to demand compliance with it with appropriate emphasis and to take all necessary precautions for the implementation of the requirements.

KLK EMMERICH GmbH reserves the right to conduct audits to verify compliance with the requirements of this Code of Conduct, either by KLK EMMERICH GmbH or by an independent third party of our choice.

We would like to point out that the co-operation with KLK EMMERICH GmbH may be damaged by repeated or serious violations of this Code of Conduct.

KLK EMMERICH GmbH may update, modify or change the requirements and obligations contained in this Code of Conduct at any time if necessary.

Further contractual obligations or agreements remain unaffected by this Code of Conduct for Suppliers and take precedence over the requirements and obligations described in this document.

We hereby affirm that as a supplier of KLK EMMERICH GmbH we comply with the requirements and obligations set out in this Code of Conduct:

Company: _____

Name: _____

Signature: _____

Date: _____